



Daily Report

Latin America

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3 December 1991

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Fifth Summit of Group of Rio Opens in Cartagena

President Gaviria Opens Summit

*PA0212195491 Santa Fe de Bogota Inravisión
Television Cadena 1 in Spanish 1730 GMT 2 Dec 91*

[Report by Orlando Gomez from Cartagena]

[Text] The eyes of the world are on Cartagena. This morning Colombian President Cesar Gaviria inaugurated the fifth summit meeting of the Group of Rio. The Colombian president suggested to the 13 presidents of the area that the situation in Haiti and El Salvador, as well as the reintegration of Cuba into the Latin American community, be discussed as priority issues. Special Cinevision correspondent Orlando Gomez reports from Cartagena.

[Gomez] Colombian President Cesar Gaviria on 2 December urged Latin America and the Caribbean to contribute to the creation of a new international order. This is the appeal President Gaviria made to his Latin American counterparts during the installation of the fifth presidential summit of the Group of Rio.

[Begin Gaviria recording] The idea is to have, in the framework of a new order, the tool we need in order to work for peace, democracy, open markets, the transfer of technology, and the prosperity and well-being of our people. [end recording]

Despite the fact that during the five years the Group of Rio has been in operation, enemies of democracy such as militarism, dictatorship, and subversion have been losing their magnetism and other enemies are threatening the democratization of the continent. This is why the unity and support of everyone must be sought as the solution to conflicts.

[Begin Gaviria recording] The environment, the struggle against drug-trafficking and poverty, international trade, human rights, and the defense of democracy, are concerns that have become the basis of current and future foreign policies. All these issues have a decisive role in the interests and hopes of Latin America. [end recording]

Embargo on Haiti Strengthened

*PA0212185091 Madrid EFE in Spanish 1814 GMT
2 Dec 91*

[Text] Cartagena de Indias (Colombia), 2 Dec (EFE)—The 13 Latin American presidents who comprise the Rio Group decided on 2 December to strengthen the embargo against Haiti and to ask the EC to help implement this measure against the military who staged a coup, official sources reported.

This is the first agreement reached by the presidents, who are in Cartagena de Indias attending the fifth Rio Group meeting, one of Colombian President Cesar Gaviria's political advisers told EFE.

"The presidents have decided to ask the EC not to counter the embargo," the source added.

Argentina and Venezuela requested moving from the embargo decreed by the OAS to "a total boycott" to force the military, which staged a coup two months ago, to reinstate constitutional President Jean-Bertrand Aristide.

Embargo Violation Protested

*PA0212192691 Paris AFP in Spanish 1837 GMT
2 Dec 91*

[Text] Cartagena, Colombia, 2 Dec (AFP)—Venezuelan President Carlos Andres Perez, who is attending the fifth presidential summit of the Rio Group here in this Cartagena beach resort, on 2 December voiced a strong protest over the presence of a ship, apparently from Libya, which has brought oil supplies to Haiti.

Perez, who insists that Latin America should defend at any cost Haitian democracy as represented by priest Jean-Bertrand Aristide, said the arrival of the oil tanker is a challenge to OAS authority.

Two weeks ago, the OAS decreed an economic blockade against the Haitian coupist military regime as a mechanism to press for President Aristide's return to Port-au-Prince as soon as possible.

Perez said he deplores that the Haitian people have to suffer the consequences of the economic blockade, but noted there is no room for sentiment in matters of this kind. He added that those affected are aware that they are making sacrifices "because they want freedom and dignity in the least possible time."

Perez told AFP: "We have to express concern and voice our protest at the violation of the blockade or embargo against Haiti by a boat loaded with oil that, incidentally, is not from Venezuela."

Cuba's OAS Readmission Viewed

PA0312014891

[Editorial Report] The following is a summary of various press agency reports on statements made by Latin American foreign ministers and presidents regarding Cuba's readmission to the OAS. The delegates are attending the Group of Rio Summit in Cartagena, Colombia.

Madrid EFE in Spanish at 0803 GMT on 2 December carries a 500-word report citing Argentine President Carlos Menem as saying that Argentina will not stop its efforts to pressure the Cuban Government into accepting democracy. Menem is quoted as saying that "the 13 countries plan to pressure Cuba so that Cubans will soon be able to elect their rulers." Menem claims to have the right to speak out on the subject because of his personal experiences with persecution, imprisonment, and torture. Menem also expresses his willingness to talk with Fidel Castro at any time, so as to convince Castro that he is committing an historical error in ignoring the evolution of international politics.

Mexico City NOTIMEX in Spanish at 1115 GMT on 30 November carries a 300-word report citing Argentine Foreign Minister Guido di Tella as saying that Cuba's

reentry into the inter-American system should be conditioned to that country's democratization. The report also cites Di Tella as saying that Cuba's reincorporation into the OAS should take place after that country establishes "a representative democracy, an open economy, and freedom of press and movement."

Mexico City NOTIMEX in Spanish at 2042 GMT on 30 November carries a 150-word report citing Uruguayan Foreign Minister Hector Gros Espiell as saying that Cuba's reincorporation into the inter-American system "also requires the right attitude from the Cuban side," adding that Latin American countries are willing to help Havana find a formula to rejoin the inter-American dialogue, but that this will require "steps toward democratization" by Fidel Castro's regime.

Mexico City NOTIMEX in Spanish at 0128 GMT on 1 December carries a 250-word report citing Chilean President Patricio Aylwin, who says that the Cuban Government should be persuaded to join Latin America's democratic coexistence. Aylwin says: "We believe that Havana's efforts in that direction are very important, but we are not in favor of pressuring anyone."

Madrid EFE in Spanish at 1925 GMT on 1 December carries a 225-word report citing Brazilian President Fernando Collor de Mello as saying that he is against pressuring Cuban President Fidel Castro to hold elections in his country. Collor de Mello added that Brazil "has a constructive position" as far as Cuba is concerned. However, Brazilian Foreign Minister Francisco Rezek also warns that "if nothing happens in Cuba, we should not expect its integration."

Madrid EFE in Spanish at 2007 GMT on 1 December carries a 200-word report citing Costa Rica President Rafael Calderon, who says that Cuba and Haiti should be subject to "international pressures" in favor of democracy. He adds that "Costa Rica will not accept Cuba's readmission to the OAS or establish relations with Havana until there is a democratic government that will guarantee freedom and respect for human rights." Calderon says: "I hope to see a free and democratic Cuba in the near future, so that it can join the hemispheric family."

Mexico City NOTIMEX in Spanish at 0104 GMT on 2 December carries a 200-word report saying that Ecuadoran and Bolivian presidents agreed that Cuba's return to the inter-American system should occur only when the government of Havana implements political and economic changes. The report cites Bolivian President Paz Zamora as saying that his country rejects any intervention against Cuba because "it is a sister country." Ecuadoran President Rodrigo Borja says that the situation in Cuba and Haiti "might imply somewhat of a setback in the democratic atmosphere currently prevailing in Latin America." According to Borja, the Cuban issue affects all Latin American countries; therefore, he favors trying to achieve a common stand on the issue.

Paris AFP in Spanish at 1307 GMT on 2 December carries a 200-word report noting Venezuelan President Carlos

Andres Perez' comments on relations with Cuba. Perez is quoted as saying that the United States and Cuba are continuing the Cold War, even though it has ended in the rest of the world. He reportedly says that the positions of both those countries are "harmful to the basic interests of the continent." The item quotes Perez as saying: "We hope Cuba will give us clear signals of a decision to become incorporated into our hemispheric life, and we hope that the United States will end the blockade."

Integration, Cuba, Haiti

PA0312121091 Santa Fe de Bogota Inrvasion
Television Cadena 2 in Spanish 0000 GMT 3 Dec 91

[Passages within quotation marks recorded]

[Text] Today the issue of integration is gathering 13 presidents and one prime minister here in Cartagena, Colombia. In order to achieve integration, some processes—such as the full democratization of Latin America—must first be consolidated, President Gaviria said today at the opening of the Fifth Rio Group Summit.

There are practically no remnants of the past of authoritarianism and dictatorship in Latin America. However, President Cesar Gaviria said that democracy is facing serious challenges, which are nothing but old problems that have not been resolved.

[Gaviria] "The threats that exist today against democracy are not the same as before. However, this does not mean they are less serious or worrisome. The democratic transition of Latin America coincided with the most profound economic crisis since the thirties. Unfortunately, the historical coincidence between the appearance of democracy and the economic adjustment has so far translated into sacrifices and economic hardships for many people in Latin America."

Therefore, true democracy in the continent rests on political equality, social justice, and prosperity. This does not mean that Haiti and Cuba should be neglected. The issue of Haiti should not be neglected because of the recent military coup. By the way, Gaviria recalled that the violation against the people's will in Haiti will not go unpunished. In addition, the issue of Cuba should not be neglected given its refusal to open up and join Latin America. These issues require consensus within the Group of Rio. According to the Colombian president, this need for a consensus should extend to other issues as well.

[Gaviria] "The environment, drug trafficking, poverty, international trade, human rights, and the defense of democracy are all concerns of international policy in the present and the future. All the aforementioned topics relate, in a decisive manner, to the interests and aspirations of Latin America."

Revealing an optimism not shared by all, Gaviria spoke about the United States, saying that the neighbor to the north is showing signs, such as the Initiative for the

Americas, that suggest that an era of solidarity and cooperation is closer than an era of disagreements.

Cuba and Haiti are the focus of attention at this Fifth Group of Rio Summit—especially Cuba, which has managed to polarize the positions. On the one hand, Argentina insists on pressuring Cuba, while on the other hand, Venezuela is trying to mediate. The issue of Haiti also focuses everyone's attention on the mediation of the OAS.

Exiled Cubans, who are led here in Cartagena by Carlos Montaner, have waged a strong media campaign to get the Group of Rio to pressure the island to open up to democracy.

[Montaner] "The reason for the economic crisis in Cuba rests on the inability of the system to produce goods and services, the stupidity of 32 years of centrally-planned bureaucracy, and a police apparatus that employs perhaps one tenth of the population."

Argentine President Carlos Menem is perhaps the president who is the biggest supporter of exiled Cubans.

[Menem] "The Group of Rio can make a pronouncement and exert pressure so that Cubans can quickly elect their authorities."

These statements contrast with those of Venezuelan President Carlos Andres Perez:

[Perez] "The United States must end the blockade, which had a reason to exist when Cuba was a fundamental strategic asset of the Eastern bloc. However, we also hope to see Cuba give clear signs of its decision to join the life of the hemisphere."

No matter what decision will be adopted here, it will most likely lean toward a regional consensus rather than isolated positions, which could worsen Latin American relations with Cuba and Haiti.

Cuba

Castro Interviewed by Mexican Newspaper

PA0212194791 Mexico City NOTIMEX in Spanish
1755 GMT 2 Dec 91

[Text] Mexico City, 2 Dec (NOTIMEX)—The Cuban people will face difficult times, "very difficult times," because of the changes in Eastern Europe and the Soviet Union, it was admitted by Cuban President Fidel Castro.

The Cuban president, interviewed by the local newspaper EL SOL DE MEXICO, said that difficult trials lie ahead, given the socialist disaster in Europe, "but we will be able to overcome them and we will eventually emerge victorious."

Cuba will not "collapse because we are not made of swallow egg whites; our ideas are supported by very solid, very firm bases," Castro stated in the first part of an interview published 2 December.

Castro criticized Soviet President Mikhail Gorbachev and the perestroika he inaugurated because "it destroyed the socialist system instead of perfecting it."

Consequently, he added, Cuba will continue along its own lines because "very satisfactory" changes have been experienced in the country after the Fourth Communist Party of Cuba Congress was held in October.

Castro stated: "The task is to reject everything that is not convenient for our country; for its socioeconomic development; and for the cultural, material, and spiritual welfare of the homeland."

The president praised the initiative to reform the communal land law proposed by Mexican President Carlos Salinas de Gortari and the negotiations being carried out for a Free Trade Treaty (TLC) with the United States and Canada.

Referring to the destruction and demolition of historical figures in former socialist countries, he said that quite the opposite occurs in Mexico. "I have yet to see the destruction of revolutionary monuments to Obregon, Zapata, Madero, and Villa."

The Cuban president said his country currently faces a difficult economic situation because of the U.S. boycott and a reduction in trade with the Soviet Union.

Talking about ways to counter the situation, he said "all perspectives are open and we are analyzing certain possibilities."

He said economic crises must be countered with a "much more human criterion, without leaving the people defenseless and immersed in poverty and unemployment."

"We have tried to prevent this with hard work, despite all our material limitations; and the countries should see what we have accomplished," Castro added.

The president added: "The major changes in Cuba have already been made. To make any other changes would only return us to the past, to reverse everything and return to the capitalist system and revolutionary [as received] times."

FAR Anniversary Ceremony Held in Santiago

FL0212215491 Havana Tele Rebelde Network
in Spanish 1800 GMT 2 Dec 91

[Text] The main ceremony marking the 35th anniversary of the FAR was held at the Jose Maceo Interservice Academy in Santiago de Cuba. It was presided over by Army General Raul Castro Ruz, minister of the Revolutionary Armed Forces [FAR].

[Begin recording of unidentified speaker] I salute you in the name of the Central Committee of the Communist Party of Cuba, Commander in Chief Fidel Castro Ruz, and the Minister of the FAR. [end recording]

During the ceremony, Sabiel Rivero, a fifth-grade student at the Jose Pais School on the Isle of Youth, read the paper that had won the "Friends of the FAR" national contest for him.

[Begin Division General Julio Casas Regueiro recording] With respect and admiration, we are paying homage on this date to the heroes and martyrs of 30 November and the Granma, the rebel army combatants, militia members, internationalists, reservists, members of production and defense brigades, and all our people who are playing a major role in the task of defending the nation. Before them, and before our commander in chief, the FAR confirms their desire to be always worthy of our history, the example of those who have fallen, and the leadership of Fidel, who has led our people in this and all other decisive moments. Viva the FAR! [end recording]

Raul Castro Visits Santiago on FAR Day

FL0212151991 Havana Tele Rebelde Network
in Spanish 1200 GMT 2 Dec 91

[Text] Army General Raul Castro, minister of the Revolutionary Armed Forces [FAR], toured Santiago de Cuba on national defense day, celebrated on Sunday 1 December. Raul was accompanied by Politburo members Juan Almeida, Esteban Lazo, Leopoldo Cintras Frias, and Julian Rizo; and by Ramon Espinosa, commander of the Eastern Army. Raul Castro spoke to members of a female battalion who were practicing at the main center of instruction and to the comrades' children, who were being cared for at the child care center.

[Begin recording] [Raul Castro] The pioneers, who recently had their congress, as well as the members of the Federation of Secondary School Students, who are going to hold their congress on 5 and 6 December, have asked for more combat preparation. A country that has this kind of children and adolescents is simply an invincible country. [applause] Best wishes to all.
[Children] Please give Fidel a hug.

[Castro] We will. [end recording]

Robaina at Ceremony Marking Landing of Granma

*FL0212204291 Havana Radio Reloj Network
in Spanish 1732 GMT 2 Dec 91*

[Text] For Cuban young people, the historic privilege of having been born and grown up with the generation that forged, created, and supported the work of the revolution until the present is a reason for eternal commitment. Roberto Robaina, member of the Communist Party of Cuba Politburo, made this assertion today at Playas Coloradas, the historic site of the landing of the Granma. He reaffirmed the decision of the Cuban youths to never betray the confidence of all those who fought for the revolution.

The first secretary of the Union of Young Communists indicated that if those Cubans knew how to rise to their time, then the youths of today can set out in their own Granma taking the revolution to its rightful conclusion. Robaina affirmed that 35 years ago, the sea was turbulent and the conditions were difficult. But today there are not just 82 of us on the expedition, although we are privileged to have the same leader, who is capable of guiding us on the same course in building socialism.

This morning, 82 students of the Abel Santamaria Military Pre-University School in Yara Municipality, Granma Province, reenacted the landing of the Granma expedition which took place at Playas Coloradas 35 years ago.

Later, in the political ceremony held at the Liberty Gateway Monument in Playas Coloradas, Niquero Municipality, a large group of Granma residents were awarded the Combatant Solidarity medal for exemplary, outstanding service in production and defense. FAR members were also promoted from the rank of lieutenant to lieutenant colonel. The Distinguished Service Medal was awarded to members of the Interior Ministry in Granma.

After the ceremony, the Mayahuacan band gave a concert at the Liberty Gateway Monument in Playas Coloradas to hundreds of youths from Granma and other provinces of the country. The concert was called: With the Same Star.

Commentary on Granma Landing, FAR Anniversary

*FL0212160491 Havana Radio Rebelde Network
in Spanish 1255 GMT 2 Dec 91*

["Our Opinion" commentary by Orlando Contreras]

[Text] The landing of the Granma, celebrated today, is permanently linked with a tradition which was forged at the same time as our birth as a nation, during the struggle for independence, and with our people's best efforts to create their own future: I believe that this tradition is the

will to win; the faith that no matter how great the difficulties, victory will be obtained at the end of the road.

This date, 2 December, is also the anniversary of our glorious Revolutionary Armed Forces [FAR], a paradigm of victory. The FAR, from Granma's landing to the present, have never known defeat because they do not have the spirit of surrender, of failure. The conviction of triumph in a man is an internal element which is subjective and can be channeled into actions. It is the motor of [word indistinct].

Granma and the glorious history of our FAR cannot be separated, even slightly, from the history of the people because there is no difference between them. When Camilo Cienfuegos said that the rebel army was the people in uniform, he identified the essence of the FAR.

In these difficult times in which we live, with all the difficulties that we must face, these conditions of struggle and victory are vital elements of daily life. By working every day, with decisive efforts, with the stimulus of creative intelligence, there are no obstacles that cannot be solved. These conditions are part of the idiosyncrasies of the revolutionary people, forged in many struggles. With these conditions and efforts, the commitments we have taken on will be successful because of the creative heroism of anonymous workers struggling under adverse conditions, whether on the battlefield or in the day-to-day fight.

Citizens Hold Monthly Military Exercise 1 Dec

*PA0212172091 Madrid EFE in Spanish 1752 GMT
1 Dec 91*

[Text] Havana, 1 Dec (EFE)—Cuba once again awoke "on a war footing" on 1 December to mark the traditional "Defense Sunday," during which the population participates in military exercises to face a mock U.S. invasion and occupation.

EFE toured various neighborhoods in Havana, witnessing everything from simple shooting exercises with medium caliber rifles to street "battles" between enemy groups fighting for control of a firing position or an important building.

The mobilization for the Sunday combat training, which is held once a month, include the operation of workshops and small factories to guarantee the necessary war supplies for the war front.

The "liaisons" (units who transmit orders) seem to be the happiest, as most of them now have bicycles distributed by the government in view of the growing shortage of fuel.

Training hours are from 0700 to 1200.

In 1980, the Cuban Government adopted a new military doctrine officially called "all the people's war," because of what it viewed as serious threats by Ronald Reagan

and U.S. conservative groups who were about to assume control of the U.S. Government.

On 22 November, President Fidel Castro said that his government has been forced to invest in cement, gravel, sand, and steel bars for military fortifications, because Cuba is alone against the United States after the downfall of socialism.

Cuba's current means of defense are based on irregular war methods in which the majority of citizens would be grouped in "defense zones," avoiding large concentrations of troops that would be vulnerable to U.S. attacks during a war.

In recent years Vietnamese advisers have trained Cubans, primarily in fortifications and camouflage—activities in which they are considered to be experts.

After the Gulf War, the Cuban Government expedited the construction of underground shelters, particularly in the capital.

High-ranking military officers and experts recently participated with diplomats and academics in debates on the war between the United States and Iraq. The conclusions, however, have not been disclosed.

Ciego de Avila Central Bank Robbers Captured

*FL0212184491 Havana Radio Progreso Network
in Spanish 1725 GMT 2 Dec 91*

[Text] Officials of the Ciego de Avila Interior Ministry have captured the perpetrators of a bank robbery at the Central Bank in that province.

Information published by the press in Ciego de Avila states that after an extensive investigation, the money stolen from the bank was recovered.

Electoral System, 'Socialist Democracy' Viewed

*PA0212162391 Havana Radio Havana Cuba in Spanish
1400 GMT 29 Nov 91*

[Commentary by Roberto Morejon]

[Text] One of the main objectives of the Communist Party of Cuba [PCC] and the Cuban Government at this moment is to improve Cuba's socialist democracy.

The Fourth PCC Congress recently suggested ways the institutions comprising the People's Government can become more efficient.

A PCC commission created in connection with this objective is studying legislative plans and other organizational measures to prepare a specific and definite proposal for the National Assembly or parliament.

Parliament is the highest state authority in the Cuban system, and in future regular sessions this legislative body will analyze the changes the PCC will propose in the Constitution.

In October, the Fourth PCC Congress stated some general ideas. The most important one deals with reforming the electoral system. The change proposed is that parliament and Provincial Assembly deputies be elected through secret and direct popular vote.

If this is approved, the Cuban people would choose their candidates for deputy, contrary to what happens in other countries where it is the political parties who monopolize this selection process.

Likewise, the PCC is studying ways to increase the electoral commission's power to eliminate the basically protocol procedures that remain in the process to install People's Government assemblies and to elect their executive bodies.

The corrections being studied as part of the proposal to the parliament should improve the work and administration of the People's Government at all levels.

At a moment when the country is focusing its attention on unpostponable tasks related to its survival, the variants to be introduced in the government system and in the election of its members will serve to design a democracy different to those that exist in the rest of the world.

Lazo, Espin at Closing of Fifth Nursing Congress

*FL3011133491 Havana Tele Rebelde Network
in Spanish 1200 GMT 30 Nov 91*

[Text] Esteban Lazo, member of the Politburo and first secretary of the Communist Party of Cuba in Santiago de Cuba, has read a message from Commander in Chief Fidel Castro to the participants in the Fifth Congress of the Cuban Nursing Society which was held for five days in Santiago de Cuba.

During the closing ceremony, attended by Vilma Espin, president of the Federation of Cuban Women, delegates from the 17 participating countries expressed a profound solidarity with Cuba and asked the OAS and the United Nations to demand the end of the U.S. blockade against the island.

Jobita Paez, president of the Cuban Nursing Society, received the Piti Fajardo medal and the Lazaro Pena 80th Birthday Anniversary pin in recognition of her years of outstanding performance and internationalist work. The accomplishments of the province, which has placed first in the Cuban Nursing Society for the past four years, were also recognized as well as the decisive role of nurses in the progress of health in Cuba, the prevention and treatment of AIDS, and in primary care.

Importance of Family, Group Gardening Stressed

*FL3011023891 Havana Tele Rebelde and Cuba
Vision Networks in Spanish 0100 GMT 30 Nov 91*

[“Focus” commentary]

[Text] There are people who still think that the land is so fertile that one can throw three seeds and wait for the harvest. We cannot work with such foolishness in utilizing the land for massive agricultural planting, nor would the positive reaction that has arisen in recent weeks, and the excitement that has been aroused to set in motion a significant movement for mass self-sufficiency, be worth anything. It is obvious that we can carry out a very beneficial program in this way under these special period conditions but it can also become a significant practice for the future development of flora and for environmental preservation.

This response, however, could be much more successful if we solved certain material limitations and avoided certain blunders because of lack of knowledge inasmuch as ideas and enthusiasm are not enough to give birth to an efficient gardening movement that can link efforts and care at work centers, by residents of a district, or household members. We are facing the challenge of learning planting techniques and forms of cultivation for various seasons of the year, mainly winter now, when climate conditions favor the use of many types of crops, and for which [words indistinct] given the possibility of everyone planting in courtyards, fields, and vacant lots.

In other words, it is necessary for us to learn how to plant and to become familiar with what can be planted and what will yield the greatest harvest. This is important because some people may, with the best of intentions, already be looking for seedlings that may produce fruit only after 15 years, when what we need now is to prioritize foods that can be harvested within months. Or there may be others who, through ignorance, are planting seeds that will not be productive because it may not be their most favorable season or they need other climatic conditions than those at the end or the beginning of the year.

Also, we must think not only in terms of gardens, when in many cases, if conditions permit, small vegetable beds may be planted. Of course, mass participation in this task presents us with a problem: the lack of seeds. Many people want to begin now, in spite of their lack of knowledge. We, thus, run the risk of improvisation and perhaps will not obtain all the proper yields. The important thing is to somehow begin with a few crops, those that are available, as long as they can be planted in this season.

The Ministry of Agriculture can help in some areas, but it needs time to create the proper conditions, as it is doing right now in an effort to help the people buy 5 million packages of seeds for various crops next year, as well as several tens of thousands of watering cans. This will be the best thing, but we cannot wait. Naturally, everything will be easier outside of Havana, since there are the farmers, cooperatives, and state enterprises, which can give direct guidance, as they are already doing. They can even supply seeds. The situation in Havana is more complex.

Given these circumstances and the imperative need to carry out this self-sufficiency movement, Cuban television as well as other media are now analyzing ways to encourage this practice by initiating within the next few days programs that will deal with horticultural topics and teach many technical procedures. This will make it possible for all of us to learn about these useful efforts.

Havana Volunteers Help in Pinar del Rio Planting

*FL0212175591 Havana Tele Rebelde Network
in Spanish 1200 GMT 2 Dec 91*

[Text] The first 1,350 residents of Havana, members of the Eternal Baragua workers support group, who will join in the tomato planting and harvesting in Pinar del Rio, will leave for Pinar del Rio Province on 5 December. The second group to go will be similar to the first. By January the rotation of groups will reach some 3,500 people, with groups rotating until April. The volunteers from Havana will be housed in 10 camps that are located in areas of Los Palacios and Consolacion del Sur, where the essential conditions have been met for the volunteers to live.

According to information received from the Cuban Workers Federation in Havana, on 15 December five new agricultural contingents will be organized to help with citrus production in Ceiba del Agua and Quivicán.

FAR Anniversary Marked at Embassy in Moscow

*FL0312030991 Havana Tele Rebelde and Cuba
Vision Networks in Spanish 0100 GMT 3 Dec 91*

[Report by correspondent Daisy Gomez in Moscow, date not given—recorded]

[Text] The 35th anniversary of the Granma landing and the creation of the Cuban Revolutionary Armed Forces [FAR] were marked in Moscow with an official reception at the Cuban Embassy and an exhibit at the USSR Armed Forces Museum. Fleet Admiral Vladimir Nikolayevich Chernavin, commander in chief of the USSR military fleet and deputy minister of defense, was in attendance. Cuban Ambassador Jose Ramon Balaguer and Military Attache Colonel Ricardo Hernandez Merino also greeted numerous military officers and Soviet and foreign personalities who came to congratulate the FAR during such an important anniversary.

To commemorate the occasion, an exhibit opened with more than 30 items, 40 of which are exhibited for the first time in the USSR [sentence as heard]. The exhibit, which will remain open for three weeks, shows important moments in the Cuban revolutionary struggle. Pictures, paintings, and crafts reflect places, heroes, and combatants closely tied to the FAR. The exhibit includes personal items, weapons, and utensils of the Granma expeditionaries, the defenders of the Bay of Pigs, and Cuban internationalists in Africa. The belongings of Commander Camilo Cienfuegos occupy a prominent place in

the exhibit. One display is dedicated to the defense aid provided to Cuba by the Soviet Union.

PRELA, INA Sign Media Cooperation Protocol

*JN3011204191 Baghdad INA in Arabic 2006 GMT
30 Nov 91*

[Text] Havana, 30 Nov (INA)—INA and the Cuban news agency Saturday signed a cooperation protocol that provides for the exchange of newscasts to be used in the media and to facilitate the activities of reporters from the two countries.

INA Director General 'Adnan al-Juburi signed the agreement for INA, while Pedro Margolles, director general of PRENSA LATINA, signed for the Cuban agency.

The two directors made speeches, emphasizing the deep friendship that binds the two countries and their joint march [words indistinct] imposed by the United States and its allies.

The agreement stresses the eagerness of the two agencies to facilitate the activities of press delegations and exchange visits to promote press services.

Inter-Caribbean Affairs

Meeting Examines Caricom Market Conditions

*FL0312001191 Bridgetown CANA in English
2051 GMT 2 Dec 91*

[By Rickey Singh]

[Text] London, Dec 2, CANA—The strengths and weaknesses of the English-speaking Caribbean Community were considered at a conference here that sounded clear warnings for Caricom's future in a single-market Europe and a rising North American Free Trade Association (NAFTA).

The just-concluded conference was organised and sponsored as a two-day "brain-storming" exercise on "the Caribbean states and their relations with their neighbours" by a leading 32-year-old private foundation, the Ditchley Foundation, as one in an annual series on events in the rapidly changing global environment. Together with its United States counterpart, the American Ditchley Foundation, it involves wide-ranging influential interests in the fields of business, politics, diplomacy, education, and culture in Britain and the United States.

Carciom, now 18-years old and constituting a market of just about six million people within the anglophone Caribbean, could hurt its own future if it fails to be transformed into a single market and economy in this decade with "appropriate mechanisms" to deal effectively with the emerging mega-economic blocs in Europe and North America, according to the conference. On the other hand, participants concluded that although small as a market, Caricom has a healthy democratic tradition

and history in functional co-operation. That makes it potentially valuable in a much wider regional economic bloc encompassing a market of some 36 million and in relations with the Central American common market, NAFTA, and the European Community after 1993.

The conference, conducted on the basis of non-attributable statements by participants, invariably noted "a crisis in political leadership" and a "sad lack of political will" that continue to frustrate Caricom in deepening and widening the economic integration process—even in the face of the global challenges that could reduce its existence to "irrelevance." Relocation from Guyana of a restructured and "empowered" Caricom Secretariat, "more in the heart of the Community," abolition of an "irrelevant, outdated unanimity rule," and inclusion in an amended Caricom treaty of a penalty clause for violations of Community decisions were among the recommendations at the final plenary session.

It was noted that in a number of areas, the ideas and recommendations on the Caribbean's problems and future development and extra-regional relations converged with those emerging from the fourth Conference on "Europe and the Caribbean" in Brussels which had preceded the private "brainstorming" event at the Ditchley Foundation. Some of the participants from the Brussels Conference, among them Prime Minister James Mitchell of St. Vincent and the Grenadines; and the new chief minister of Montserrat, Reuben Meade; as well as the director of the West India Committee, David Jessop, one of the organisers of the annual Europe-Caribbean Conference; were among the more than 40 participants and observers at Ditchley.

The single largest country delegation to the Ditchley Conference, which was chaired by Baroness Young, came from the United States and included ambassador to Trinidad and Tobago, Sally Cowal. Representatives of the World Bank, Inter-American Development Bank, and commercial banks and other business interests in the Caribbean region were also present.

Strong support were given to the approval by the fourth Europe-Caribbean Conference to establish not later than April next year a Caribbean Council for Europe (CCE). The CCE—a brainchild of the Barbados-based Caribbean Association of Industry and Commerce (CAIC), the London-based West India Committee, and the private-sector organisation of Jamaica (PSOJ)—is intended to act as a catalyst of the Caribbean and European private sectors in advancing economic progress, with the co-operation of governments.

The Ditchley Conference noted that the Brussels Conference on the Caribbean had also discussed at length the current preoccupation of Caricom governments and private sector with the region's changing trade and economic relations with the United States in the context of the Caribbean Basin Initiative (CBI), the Enterprise for the Americas Initiative (EAI) and the free trade grouping

to involve the United States, Canada, and Mexico - NAFTA. Forging of "special relationship" with a single-market Europe, it was felt, had to take into consideration "practical realities" of the Caribbean's location and increasing ties with the United States.

Despite "all of its flaws," as observed in the final session, "Caricom has served a useful political and functional purpose." The conference recognised that the 18-year-old Community, now awaiting the final report from the West Indian Commission on its future, also filled a "psychological purpose as a focal point for Caribbean-wide political and economic debates." The conference discussed as issues of major concerns developments in Cuba and Haiti, both of which have distinctly different status and levels of co-operation with Caricom.

The conference commended the initiatives by the Latin American governments of Mexico, Venezuela, and Colombia on encouraging the process of economic and political liberalisation in Cuba. The hope was expressed that these initiatives could eventually lead to an improvement in Cuba-U.S. relations. But it was recognised that the current American administration did not seem to have any "significant domestic incentive" at this time preparations for new presidential election to work towards such an objective.

On Haiti, there were strong criticisms of discriminatory practices by the U.S. Immigration authorities in dealing with Haitian refugees. In relation to the current political crisis arising from last September's military coup, in Port-au-Prince, it was felt that the situation demanded "creative multilateral and long-term solutions," with force not being ruled out.

Antigua and Barbuda

Lester Bird Develops Economic Recovery Programs

FL0212224291 Bridgetown CANA in English
1857 GMT 2 Dec 91

[Text] St. John's, Antigua, Dec 1, CANA—Antigua and Barbuda's Planning Minister Lester Bird on Monday will launch a National Economic Commission (NEC) which will be responsible for developing a recovery programme for the cash-strapped twin-island nation, a government release said.

At the launching, Bird is expected to outline a new strategy for achieving a balanced economy with linkages between tourism—the main industry—agriculture, manufacturing and other sectors. He is also expected to outline new government proposals on training for Antigua and Barbuda nationals.

The NEC falls within a broad plan being developed by the Ministry of Planning "to develop a more scientific and purposeful programme for managing the financial, economic, physical, and human resources of Antigua and Barbuda." Besides the commission, a Development

Planning Unit (DPU), a Development Planning Team (DPT), and a Data Base Unit (DBU) will be set up to execute the plan.

The NEC will act as an advisory body to the government on national and regional economic affairs. It also will monitor and assess the implementation of projects.

Barbados

Sandiford Addresses Nation on Independence Day

FL0212175091 Bridgetown CANA in English
1631 GMT 2 Dec 91

[Excerpt] Bridgetown, Barbados, Nov 30, CANA—Barbados prime minister, Erskine Sandiford, on Saturday asked for a kinder, more gentle, more productive society as the island celebrated its 25 independence anniversary.

"... The society I envision cannot be one that responds to anger with violence and abuse," Sandiford said in an address to the nation.

"It cannot be a society in which vulgar consumerism runs rampant. It cannot be a society where shoes for the children are less important than a video.

"It cannot be a society that disrespects and neglects the aged and the handicapped, and allows the young to run wild. It cannot be a society that prefers to peddle drugs than perform an honest day's work. It cannot be a society in which clock watching becomes a substitute for productivity, and retailing becomes a replacement for creative entrepreneurship and manufacturing."

Sandiford added: "It cannot be a society that ignores wholesome values and authentic, enabling cultural expression for unbridled selfishness and ignoble vulgarity.

"No. It must be a Barbados that demands economic justice as the right of every citizen and a more equitable distribution of the society's wealth as our birthright.

"It must be a Barbados in which more young people and people of working age will be able to find fulfilling and rewarding jobs. It must be a Barbados that delivers the best of health care for all citizens, a Barbados that caters to the needs of the indigent, the disabled, the old aged, the disadvantaged and the underprivileged.

"Above all, it must not be a society for drones, but one in which all work hard, contribute to the creation of wealth, and share justly in the fruits of that wealth.

"It must be a society in which the educational system is geared towards the development of young people capable of creating and producing many of the items and goods and services which we now import and those which are required for export."

Sandiford looks forward to "a society which uplifts democracy to its highest ideals, where human rights are deeply isolated incidents".

He wants "a society that respects the environmental and physical condition of our land, its vegetation, animal species, the waters on and around about it, and its atmosphere."

"Finally," he said, "it must be a society that places God first and allows Him to heal all division, to guide the hands and feet of our leaders and people alike. And it must be a Barbados that continues to raise its voice in protest against wrong-doing in the world and tightens the sinews that bind us to our sister countries in the Caribbean."

He urged Barbadians to "start now to build it, to build that fair and just society".

Sandiford touched on the economic problems facing the former British colony.

"We must reduce our fiscal imbalances," he said. "We must remove the imbalances in our external sector and rebuild our foreign reserves. We must restructure our public enterprises on the basis of efficiency. We must revitalize our production sectors."

"We must earn our way at home and abroad. We must co-operate with other countries and international institutions. We must strengthen national unity and national resolve. We must be open to foreign investment. Let us do it."

The main highlight of the celebrations here was a parade of uniform groups, including Army, Police, and cadet contingents.

Crisp uniforms and precision-marching were the order of the day.

The parade was shifted to the Bridgetown port from the waterlogged Garrison Savannah race track, where it is usually held.

Sandiford spoke of "solid growth" here in the last 25 years.

He said: "For us Barbadians, it has been 25 years of solid growth under the guardianship and inspiration of our God...."

"We have been spared many of the calamitous natural or man-made disasters which have unfortunately afflicted others. We have been spared the internecine civil strife which has wracked many developing countries. We have been engaged in no wars."

Sandiford said that over the past 25 years Barbadians "have been able to utilize our meagre resources of land, labour, capital, technology and management in order to create wealth and develop one of the highest standards of living among developing countries".

He added: "This to my mind has been a direct result of our firm commitment to the development of our people who stand out as our greatest resource. We have been able to develop solid programmes in health, education and child care."

"Barbados can now boast of having put in place over the last 25 years one of the most extensive social infrastructural networks in the developing world. The hallmark of this has been our comprehensive free health and free education systems."

The past 25 years, according to Sandiford, saw the infant mortality rate, the population growth rate and the average family size fall.

"We have been able to develop our infrastructure: our roads, our seaport and airport, our housing, our water, telephone and electricity services," he said.

"... We have been able to exercise good governance based on the maintenance of parliamentary democracy, free and fair elections, the rule of law, respect for human rights, a market economy, due consideration for the environment, and cultural diversity."

"We have as a nation, pursued with much success the goals of peace, development, economic and social justice, national security and the enhancement of the quality of life. In addition, we have striven to inculcate positive values such as good manners, respect, tolerance, fair play and honesty. Again, I say we have much to be proud about." [passage omitted]

Opposition Leaders Call for Economic Reversal

FL0212224191 Bridgetown CANA in English
1903 GMT 2 Dec 91

[Text] Bridgetown, Barbados, Dec 1, CANA—Two Barbados opposition party leaders, hailing the country's achievements in 25 years of independence, called at the weekend for action to reverse current deterioration.

"As a nation we have not succeeded by avoiding sensitive issues," opposition leader Henry Forde said in a message for the 25th anniversary of independence observed Saturday.

"In today's crisis, we must confront the issues—how we came to this sorry pass, how we can get ourselves out of it—and commit ourselves fully to do what is necessary to save ourselves," said Forde, leader of the Barbados Labour Party (BLP).

Opposition National Democratic Party (NDP) leader Richie Haynes said it was time for "decisive action" to restore moral integrity of the state and to put in place a government sensitive to the needs of an independent nation.

After seven consecutive years of economic growth ending in 3.1 economic decline in 1990 and an estimated 2.5 percent decline in the first nine months of 1991, the

government here has laid off over 2,000 workers, cut wages, and raised taxes and other prices towards entering an International Monetary Fund (IMF) structural adjustment programme.

Forde recalled that the island had won the respect of other nations, with its economic management earning the praise of international institutions and the "Barbados model" being promoted for similar economies. He said Barbadians must take refuge in the heritage of pre-independence leaders and their qualities as a people "now that we are going through perhaps the greatest economic crisis in our history, and certainly our most severe as an independent nation."

Haynes said the country after 25 years had surrendered its independence in the management of its economic affairs to the IMF and had "a solemn duty to remove all obstacles to recapturing that independence."

Charles Supports Military Intervention in Haiti

FL0212172091 Bridgetown CANA in English
1554 GMT 2 Dec 91

[By Bernard Babb]

[Text] Bridgetown, Barbados, Nov 30, CANA—Dominica's prime minister, Dame Eugenia Charles, says she supports military intervention in Haiti to restore the island's first democratically elected government.

Dame Eugenia, who arrived in Barbados on Friday to formalise British development aid grants totalling 4.8 million pounds sterling, told reporters she would fully back a multi-national force for strife-torn Haiti, where the Army ousted President Jean-Bertrand Aristide September 30.

"I would support an OAS (Organisation of American States) force or perhaps the United Nations should take over the (country) and run it for a while... We can't have governments elected one moment and overthrown the next."

"My solution would also be to get rid of the Army and the arms," she added.

Aristide's government was toppled less than a year after it was elected. Aristide has since been living in Venezuela.

Some Caribbean leaders, including Arthur Robinson of Trinidad and Tobago and Michael Manley of Jamaica, have openly supported military intervention to reinstate the Aristide government.

Over the past two months, the Organisation of American States has unsuccessfully tried to negotiate Aristide's return and last week, on the eve of talks between Aristide and a Haitian parliamentary delegation in the Colombian city of Cartagena, Provisional Haitian President

Joseph Nerette urged his cabinet to organise elections to choose a permanent successor to Aristide within a constitutional 90-day deadline.

Haiti

OAS Mission Arrives in Port-au-Prince

FL0312133691 Port-au-Prince Tropic FM in Creole
1330 GMT 2 Dec 91

[Text] An OAS humanitarian mission, which is in charge of assessing Haiti's humanitarian needs as they relate to the crisis and of evaluating the effects of the embargo, arrived in Port-au-Prince on 1 December. The OAS mission is comprised of 12 experts. The mission will stay in the country for one week and will meet with Haitian officials and persons in charge of non-governmental organizations. The mission will report to OAS Secretary General Joao Baena Soares before they leave the country. The OAS technical-humanitarian mission will be headed by Laurent Paul Tardif, the OAS representative in Haiti.

Anti-Embargo Demonstration Scheduled for 2 Dec

FL0212201791 Port-au-Prince Radio Nationale
in Creole 1100 GMT 2 Dec 91

[Excerpt] The private sector has called for a demonstration today against the embargo. Employers, merchants, industries, unions, wholesalers and retailers, and the Haitian Resistance League invite the population to participate in a non-partisan anti-embargo demonstration on 2 December at 1800 GMT before the Legislative Chamber. These sectors urge trade and industry to release their personnel at 1600 GMT so they can participate in the protest. They would appreciate all ministries and decentralized organizations allowing national employees of public offices to participate in this rally as well. [passage omitted]

Group Urges Government To Stop Violations

FL0212213291 Port-au-Prince Radio Galaxie
in French 1330 GMT 2 Dec 91

[Excerpts] According to Jean-Gerard Pierre, assistant director of the Ecumenical Center for Human Rights [CEDH], several violations of human rights and of the Constitution were committed in Haiti since the coup de force which overthrew Father Jean-Bertrand Aristide. In an interview with Radio Galaxie, the CEDH second-in-command called on the new government to acknowledge and condemn the numerous arbitrary and illegal arrests and persecutions committed in the wake of the military coup. [passage omitted].

[Begin Pierre recording] If the provisional government hopes to perform positive, credible work that will inspire trust among the population, it must recognize that other violations of rights were committed since the departure of the 16 December government, as well as violations of

the Constitution. The first thing is to acknowledge the violations, to admit that they exist.

If the government is unaware that they exist, it will not be capable of reacting to them. It must be aware that certain actions are violations of the Constitution or of human rights. Once the government accepts this, it can react appropriately.

We regret and are saddened by the fact that the government this morning denied that any rights violations had occurred since Aristide's departure. This leaves us with no hope. The authorities must have courage. They once condemned the atrocities that were committed in the past, but now that they are in power, they should do better. They should not follow the same path of least resistance. The effort to correct violations must be made by the new authorities as representatives of a cause, or at least in justification of their position in assuming power.

It is necessary to inspire trust among the population, to demonstrate that those violations will no longer occur, and that the government will assume its responsibility in dealing with anyone who commits a violation of rights. [passage omitted]

In the month of October, during which the overthrow of the 16 December government occurred, we assessed violations of human rights as we did for September. Many violations were committed, arrests without warrant and the persecution of many people throughout the country in connection with the coup. Many people are hiding in the provinces, and we hear about cases of persecution daily on the radio. [passage omitted]

Regarding the arrests of the students, we can say that when people are demonstrating in the streets and throwing stones, the procedure followed by the police is to arrest the demonstrators and later identify them. Those who are guilty are brought to trial. [end recording]

Jamaica

Opposition Attacks Central Bank Measures

FL0312013791 Bridgetown CANA in English
2211 GMT 2 Dec 91

[By Garfield Myers]

[Text] Kingston, Jamaica, Dec 2, CANA—The Jamaica central bank said measures aimed at restricting the withdrawal of local currency from commercial bank accounts are not aimed at hampering legitimate business, but at the foreign exchange black market. The new measures, effective Monday December 2, have come under attack from the parliamentary opposition Jamaica Labour Party (JLP) and the business sector.

The cash limitation guidelines, first announced by Bank of Jamaica Governor G. Arthur Brown and clarified in subsequent press releases, require commercial banks to

restrict access to cash in excess of 50,000 dollars for account holders who are not known business operators.

Requests in excess of 50,000 dollars should be referred to the central bank. The central bank has also instructed that persons who are not account holders or who present "manager's cheque, third party cheque, or similar instrument" should be restricted to 10,000 dollars. In the latter case, requests in excess of 10,000 dollars should be properly investigated by the bank before being granted or should be referred to the central bank. Brown said the new regulations are aimed at making the Jamaican dollar "as scarce as gold" in order to kill the foreign exchange black market.

Opposition spokesman on finance Bruce Golding described the measures as "not only an exercise in futility, but also an act of unprecedented folly." He said it brought into ridicule the effectiveness of the central bank and was also of questionable legal validity.

"On what legal, moral, or rational basis does the BOJ seek to restrict people's access to their own money which they have left with the banks for safekeeping?" Golding asked. Chairman of the National Commercial Bank, Don Banks, described the central bank measure as "absolute rubbish." He was reported in the media as saying the device was stupid and could be easily beaten.

Chairman of the Hardware Merchants Association, Vincent Clarke, suggested the measure could cause "serious confusion and fear" and a lack of confidence. In its latest release on the matter, the BOJ said similar measures had been taken in other countries to counter money laundering and other illegal transactions by criminal elements.

Trinidad and Tobago

Government Must Pay Costs for Muslims' Appeal

FL0212233091 Bridgetown CANA in English
1927 GMT 2 Dec 91

[Text] Port of Spain, Trinidad, Dec 2, CANA—The Trinidad and Tobago Government has been ordered by the British Privy Council to pay more than one million dollars (one TT dollar—23.5 U.S. cents), being the court costs of the rebel Muslim organisation which tried to overthrow the government in July 1990.

Members of the Jamaat al-Muslimeen filed an appeal to the British law lords after the Trinidad high court and appeal court threw out motions relating to an amnesty given the rebels by the Presidency that they argue absolved them from criminal proceedings.

The daily TRINIDAD GUARDIAN newspaper on Monday reported that the Privy Council on Friday ordered that the government pay the costs for a constitutional motion and a writ of habeas corpus filed by members of the Jamaat in the local courts and well as for the overseas appeal.

The adjudicators, Lord Bridge, Lord Ackner, Lord Templeman, Lord Lowry, and Lord Cassey last week ordered that the Muslims' appeal be heard in the Trinidad and Tobago Civil Court and they are expected to give reasons for the order within the next two weeks. The Privy Council also directed that the proceedings of the habeas corpus and the constitutional motions be consolidated and tried together. It further directed that the Muslims have leave to issue writs of habeas corpus against the commissioner of police and the attorney general.

The 113 Muslims led by Yasin abu Bakr are contending that charges including treason, murder, and kidnapping should not be brought against them since an amnesty signed by acting President Emmanuel Carter had absolved them from any criminal proceedings.

Lawyer for the state, George Newman, argued before the Privy Council that the amnesty was signed under duress. The amnesty was given to the Muslims between July 27, the start of the coup attempt and August 1, during which

time Prime Minister Arthur Robinson, government ministers, other parliamentarians, and television workers were held hostage. At the end of the six-day siege on Parliament, when the Muslims surrendered unconditionally to soldiers and police, two dozen people had died and Robinson was nursing a gunshot wound to the leg for not signing a document as ordered by the rebels.

The GUARDIAN said the Privy Council wanted to rule on the merits of the amnesty but Geoffrey Robertson, representing the Muslims, asked that it be deferred since he wanted the government to argue the duress defence before the law lords. The attorneys for both sides also agreed that the preliminary inquiry into charges against 19 rebel leaders should continue.

The Muslims' appeals were dismissed here on grounds that their rights were not infringed and that they could raise the issue of amnesty as a "bar in plea" in the assizes. The judges had also said that an amnesty did not remove guilt but provided a pardon for a convicted person.

Soldiers 'Intentionally Murdered' 7 Policemen

PA0312000191 Paris AFP in Spanish 1911 GMT
2 Dec 91

[Text] Mexico City, 2 Dec (AFP)—Seven Mexican policemen, who were killed on 7 November, "were intentionally murdered by soldiers who guarded a shipment of cocaine from Colombia," the weekly PROCESO reported on 2 December, quoting unidentified U.S. and Mexican Government sources.

On the morning of 7 November, planes from the Attorney General's Office detected an aircraft that had illegally entered Mexican airspace and chased it until it landed at a clandestine airstrip in Veracruz State. The Mexican policemen arrived at the airstrip less than 30 minutes after the drug traffickers in the plane had landed.

A clash between the policemen and the military took place at the airstrip, despite the fact that the policemen clearly identified themselves. Both the Attorney General's Office and the National Defense Secretariat attributed the incident to a misunderstanding and the case was referred to the National Commission of Human Rights (CNDH) for further investigation.

The passengers of the Colombian aircraft managed to escape.

According to PROCESO, "there was radio communication between the Colombian aircraft and the airstrip; there is a tape that contains this conversation in which the pilot of the drug trafficker's aircraft warned the people on the ground that he was being chased." The weekly stated further: "The ground station was located on the runway, where the military personnel were positioned, so they had to know about the situation."

Based on its investigation of the events, the weekly reported that "since the previous evening, next to the military garrison on the runway sat a plane loaded with fuel, and there are two pumps to fuel the aircraft."

"An videotape of the exchange of gunfire was taken from a fourth plane taking part in the joint Mexican-American Drug Interdiction Program, which so far has not been mentioned by the press or the governments. This plane had departed from the United States and was fired upon by the military and forced to flee the area and land on U.S. soil," PROCESO added.

CNDH spokesman Eloy Caloca told AFP today that a ruling on this case "will be issued in due time. The CNDH will not make a statement without any evidence; it will issue a statement once an investigation has been conducted, no matter how long it may take."

Meanwhile, the secretary of national defense pledged before the CNDH "to provide all the support and evidence necessary to conduct such an investigation."

According to PROCESO, the recording of the conversation revealed that the pilot of the Colombian aircraft requested protection from those who expected him on the ground, because his own radar had detected the aircraft that were chasing him.

The publication also charged a Mexican drug trafficker "with establishing contacts between the drug traffickers and their protectors." PROCESO added that for many years the aforementioned Mexican drug trafficker had operated the clandestine airstrip.

The weekly indicated that no U.S. official source wanted to comment on this incident until the investigation by the CNDH has concluded.

El Salvador

Government Delegate on Peace Negotiations

PA0312003691 San Salvador Canal Doce Television
in Spanish 0300 GMT 30 Nov 91

[Telephone interview with Justice Minister Oscar Santamaria, member of the Dialogue Commission, by unidentified reporters—live]

[Text] [First reporter] The peace negotiations between the government and guerrillas could go into a recess to allow mediator Alvaro de Soto to hold consultations with UN Secretary General Javier Perez de Cuellar. FMLN [Farabundo Marti National Liberation Front] Commander Nidia Diaz said in Mexico that De Soto is scheduled to travel to New York this weekend to talk with Perez de Cuellar about the progress in the negotiations. The rebel leader said the talks will be interrupted on 30 November and will resume on 3 December. Nidia Diaz added that a group of guerrilla commanders traveled to Mexico on 28 November; they will join the negotiations to discuss a cease-fire. We now have a live telephone call from Dr. Oscar Santamaria, member of the national dialogue commission.

[Second reporter] Thank you. There are various opinions on whether or not there will be a recess.

[First reporter] According to Nidia Diaz, there will be a recess, but we would like confirmation from a member of the Government Dialogue Commission.

[Second reporter] A recess would make things more difficult. There will be less time to achieve a cease-fire before mid-December—the goal set by both delegations. Dr. Santamaria, we have learned that there will be a recess and that talks will resume on 3 December. Is this true?

[Santamaria] Thank you. Good evening to all Salvadoran listeners and to the El Dia newscast for allowing me to express my opinions. As for the question, I can say that no recess has been planned. The UN secretary general's representative will be absent for one day, but we will continue to work and try to make more progress. We realize time is a fundamental factor and we have little time to work. We cannot afford to call a recess, as has been announced. I understand that something on this has been reported, but that is not true. We will continue to work, even over the weekend. We will hold direct meetings with the FMLN representatives and will try to make more greater progress in these negotiations.

[Second reporter] Is there a deadline, or will you work nonstop until you reach an agreement that could lead to a cease-fire?

[Santamaria] That is right. The characteristics of this meeting have already been defined in the New York Agreements. It is an intense meeting with no fixed deadline. We will continue to look for solutions until we

reach definitive agreements. As we said before, we hope to reach them before the year is over so that we can make dreams come true for all Salvadorans, who want peace before 1992.

[Second reporter] What has happened at the negotiating table in the last few hours?

[Santamaria] We have been following the agenda in an orderly manner, beginning with the Armed Forces' topic. We also discussed the national civilian police, about which both sides had already stated their positions. The United Nations drafted a document, which contains both sides' positions, that we have been working on since 27 November. We have made significant progress on the discussion of this topic. We have agreed on some points that constitute an important basis for a definitive agreement on this matter.

[Second reporter] The accusations and counteraccusations of the last few days has worried Dr. Alvaro de Soto. Has this situation been cleared up? Are things going as they should?

[Santamaria] I think so. The Salvadoran people must know that we have been working on this so as to protect the process and not expose it to the public. A problem emerges when the process is exposed to the public and a series of remarks on each of the positions are made. Therefore, we have been observing the principle of confidentiality. Even though we have provided more information to the public, we have not started a propaganda war, which does not benefit the process at all. That is why the United Nations made a call to handle the dialogue at a different level. It is not a matter of keeping the national and international public uninformed, but our information should be correct. We think this is advisable and we think things will be handled in a more correct manner.

[Second reporter] Our time is almost up. We would like you to make this clear. The FMLN says its military truce is in danger and that it gives the government or the Army 10 days to adopt a measure similar to theirs. What is the opinion of the government?

[Santamaria] The FMLN's unilateral commitment to the Salvadoran people and international community is not something it can easily reject just because it feels it is not receiving the response it expected. I think what was said was that it was necessary to give the process a chance, especially at this delicate stage, and to provide a good atmosphere. The FMLN was asked to do this and made a commitment that was stated clearly in its communique. The communique unquestionably points out that it was necessary to give the process a chance. We would deeply regret another decision on its part. However, it would not surprise us because the FMLN has broken its unilateral pledges before whenever and however it wanted. It would be risky and would represent a very high political cost to the FMLN if it decided to carry this out as it has publicly stated. However, the FMLN has not said anything about this issue at the negotiating table.

We firmly believe this could seriously damage the peace process. Therefore, we call upon the FMLN to honor its responsibility and commitment to the Salvadoran people.

[Second reporter] Dr. Santamaria, we thank you for this interview and wish you luck at the negotiations. All Salvadorans look forward to the results of the talks and hope for good news.

[Santamaria] Thank you, that is very kind. We expect this round to provide a definitive answer that will bring peace to El Salvador.

FMLN Commander: Cristiani's Statements 'Absurd'

PA0312015091 (Clandestine) Radio Venceremos in Spanish to El Salvador 0000 GMT 29 Nov 91

[Interview with Luis Mauricio Fuentes, Farabundo Marti National Liberation Front, FMLN, 3d Military Region commander, by unidentified announcer via two-way radio from Morazan Department—li/ve]

[Text] [Announcer] Commander Mauricio, can you tell us what the Armed Forces hope to achieve with the Belloso Battalion's attacks against our forces in Morazan Department?

[Fuentes] We believe these actions are part of a movement by the Armed Forces' extreme right to pressure the Farabundo Marti National Liberation Front [FMLN] into breaking the truce so the negotiations will be called off. The Armed Forces know that the negotiations will end the privileges they have held for so long by imposing their will on civilians. This is why they are provoking clashes with our units. They know it is difficult to avoid these clashes in the field. They are looking for ways to justify breaking the truce and calling off the negotiations.

[Announcer] Commander Mauricio, would you give us your impression of the statements Mr. Cristiani made a few days ago in which he said that National Army for Democracy forces should step aside to avoid clashing with government troops staging attacks in areas under our control.

[Fuentes] From a military viewpoint, those statements are absurd. The statements can only be understood from a political viewpoint. Mr. Cristiani is faltering because he is being pressured by the extreme right, which has gone so far as to call him a traitor and a turncoat. This pressure is forcing him to give in. It seems that Mr. Cristiani has not decided to take the bull by the horns. He has not decided to take the road of negotiation toward solving the conflict and reforming society. He hesitates, and that is why he makes statements supporting the sectors that want a military solution. I believe it is time for Mr. Cristiani to decide if he is going to support the reform of society through negotiations. If he is, he should have the courage to face the groups that want to maintain the military's grip on civilians. We want Mr. Cristiani to make up his mind. If he wants to

defeat us militarily, we would like to remind him that the Armed Forces have been unsuccessfully trying to do this for 11 years. From a military viewpoint, his statements are unacceptable and [word indistinct]. Mr. Cristiani knows very well this is a war front. We have radio stations and other military structures such as clinics and hospitals. We defend these structures by fighting precisely on site along the areas where they are located. We have obtained these structures over the course of an 11-year war, and we are not going to give them away just because Cristiani is making statements to please the murdering factions of his party and of the Armed Forces.

[Announcer] Thank you very much for this interview, Commander Luis Mauricio Fuentes.

ONUSAL Issues Second Human Rights Report

PA0212183391 San Salvador Canal Doce Television in Spanish 0300 GMT 30 Nov 91

[Text] UN Observers for El Salvador [ONUSAL] on 29 November issued its second report related to the human rights situation in El Salvador. The report reveals the continuation of random and summary executions.

The ONUSAL report has two parts. One part refers to events that can be attributed to members of the Armed Forces, and the other part refers to members of the Farabundo Marti National Liberation Front [FMLN].

According to the ONUSAL report, more than 1,000 complaints were received between 26 July and 31 October. The report points to deaths caused by misuse of power, forced disappearances, torture, attacks on the civilian population, and death threats.

[Begin recording] [Unidentified ONUSAL representative] That is what this is all about. There is a need for an open dialogue between ONUSAL and the Armed Forces, and a need for the same type of dialogue with the FMLN. During the dialogue we will note what we recognize as a violation, and we will propose possibilities for improvement and how to continue these improvements. [end recording]

When questioned about the Mozote massacre, the ONUSAL representative stated that their mandate was only to investigate current events, not past events.

[Begin recording] We now have the case of the Motete massacre. The office of a particular judge, specifically the San Francisco Gotera judge, is currently conducting an investigation. In this respect, a judicial procedure is already taking place. We do not intend to investigate what occurred, but only what the situation is today. [end recording]

The report also refers to the right to freedom. This section deals specifically with the arrests made by military units, and how arrested persons should be transferred according to legally accepted procedures.

Another issue pointed out by the report refers to the forceful drafting by the FMLN of persons younger than 15 years-old. From any point of view, this practice is contrary to normal adolescence.

After the report was made public, UN Secretary General Javier Perez de Cuellar acknowledged the cooperation and assistance given to ONUSAL by the government and the FMLN.

Foreign Minister Comments on Report

PA0212190191 San Salvador Canal Doce Television
in Spanish 0300 GMT 30 Nov 91

[Text] Salvadoran Foreign Minister Jose Manuel Pacas Castro explained, in commenting on the second report issued by the UN Observers for El Salvador, [ONUSAL] that the complaints received by this organization against the Armed Forces do not implicate it as an institution. He added that the complaints possibly represent isolated incidents by some of its members.

According to the foreign minister, all human rights violations carried out by Armed Forces personnel—such as the Jesuit murder case, San Sebastian, the death well [el pozo de la muerte], and others—were immediately reported to the appropriate judicial courts.

[Begin recording] We strongly reject any intention to implicate any Salvadoran institution, especially the Armed Forces, of human rights violations. The Armed Forces have completely open doors. There are several ONUSAL personnel in direct contact with members of the Armed Forces to avoid human rights abuses.

When this sort of situation occurs, military authorities have clear and precise instructions to discipline any person involved, but in accordance to the law. In addition, any member of the Armed Forces involved in human rights violations is to be separated from the Armed Forces immediately. [end recording]

Foreign Minister Pacas Castro pointed out that ONUSAL is to play an observer role, and is in no way to make value judgments on Salvadorans. He added that he expects an unbiased report.

[Begin recording] ONUSAL is not an international court, because that would be a direct interference in the internal affairs of El Salvador. Under no circumstances could we accept this. ONUSAL's agreement specifically includes a clause where this organization agreed to obey the Salvadoran constitution, its officials, and the government. ONUSAL is not a judicial court that can criticize or pass judgment on whether this is right or wrong. [end recording]

According to the administration of President Alfredo Cristiani, there has been a noticeable decrease in human rights violations in El Salvador. This opinion concurs with the report by ONUSAL spokesman (Pastor Ruidejo). Human rights abuses continue in El Salvador, however.

Church Official on El Mozote, Jesuit Killings

PA0312030191 Mexico City NOTIMEX in Spanish
1440 GMT 28 Nov 91

[Report by correspondent Salvador Borja]

[Text] Tegucigalpa, 28 Nov (NOTIMEX)—Gregorio Rosa Chavez, auxiliary bishop of San Salvador, has revealed the existence of "a confidential document that will reveal the truth about the El Mozote killings," which occurred in El Salvador in December 1981.

Back then, there were several versions which pointed to the elite Atlacatl Battalion of the Salvadoran Army as being responsible for the massacre of approximately 1,000 peasants in El Mozote, Morazan Department, eastern El Salvador.

In remarks to NOTIMEX, Rosa Chavez said that the Salvadoran church feels that the families that have complaints against government officials should file suits against the culprits. He said that they have the right to receive compensation.

He said that, to solve the case, the bodies of the victims must be exhumed and coroners must perform the autopsies. The exhumations can be carried out because there are drawings establishing the exact place where the victims were buried. He added that there is even "confidential material, which will be published soon, that explains what really happened," he maintained.

Rosa Chavez said that the victims' relatives are willing to forgive those who did the killing; however, he warned: "If there is no judicial investigation, dangerous things could happen, such as attempts by uncontrollable armed groups to seek revenge." Survivors of the El Mozote massacre formed the Colomoncagua refugee camp in Intibuca Department, western Honduras.

Referring to the murder of six Jesuits in 1989, Rosa Chavez said that the church expects that, with the evidence that the U.S. Senate supplied for this case, "a serious analysis will be made and the investigation will continue." The Salvadoran Church maintains that this incident "could not have happened without the approval of the top military command."

If the administration of justice does not improve in El Salvador, "the seeds of violence will soon bear the bitter fruits that we have tasted already during the past 12 years," he stated.

Regarding the peace negotiations that the rebels and the government of President Alfredo Cristiani have been holding in Mexico, he said that "only five minutes are needed to solve the conflict; it only takes goodwill and bold steps on the part of both sides."

"This is the final moment of the negotiations. However, this is also the most delicate moment, and there is great

international interest and pressure. Everything seems in favor of signing a cease-fire before Christmas," Rosa Chavez concluded.

Guatemala

Serrano Endorses Talks, Rejects 'Threats'

PA2911155991 Guatemala City PRENSA LIBRE
in Spanish 28 Nov 91 pp 3, 101

[Text] My government advocates peace and will maintain a dialogue with the Guatemalan National Revolutionary Unity [URNG] despite Commander Monsanto's threats, President Serrano stated on 27 November in reference to the guerrilla leader's statements. Commander Monsanto warned that the armed struggle to seize power would continue.

The URNG commander said in Mexico that reconciliation talks with the Guatemalan Government have not progressed because Serrano refuses to accept several issues proposed by the URNG. Monsanto emphasized that the guerrilla groups will continue their armed struggle to seize power since the talks have failed.

President Serrano said: The guerrilla groups have tried to seize power by force for 30 years, but they have always failed. Monsanto said nothing new, so we reassert to the URNG that "our government advocates peace. We want peace and have taken many risks for the sake of reconciliation."

Nevertheless, the URNG must accept the government's peace proposal and join the nation's social and political life. That is precisely why we are continuing the dialogue with the rebel groups. We are a legal government and we cannot violate the laws, much less the Republic's Constitution.

Monsanto's statements are further proof of the URNG's warmongering position. The government does not want to prolong the armed conflict that has caused so many deaths among Guatemalans. The government is asking the guerrillas once again to lay down their weapons, disband the armed groups, and return to a normal life. The government can provide the guarantees and protection necessary for them to participate in the country's legal activities.

The president emphasized: Everyone knows that I sincerely want the peace agreement to be signed as soon as possible. We would like to end the armed confrontation tomorrow, because we do not want any more orphans and widows. We also want the national Army to fully concentrate its efforts on social development.

Serrano said that the talks have not failed, but he admitted that there are some problems because the URNG demands actions that violate the law.

Honduras

Callejas Assesses Strikes, Other Issues

PA0112190491 Tegucigalpa Telesistema Hondureno
Television Network in Spanish 0320 GMT 28 Nov 91

[Interview with President Rafael Leonardo Callejas by Carlos Riddel and Edgardo Melgar at the Telesistema studio in Tegucigalpa on the "Topics and News" program—live]

[Excerpts] [passage omitted] [Reporter] Why was the strike called by the National Enterprise for Electric Power Workers Union [STENEE] declared illegal?

[Callejas] It was a legal decision based on the Labor Code and procedures that guarantee respect for the law. ENEE [National Enterprise for Electric Power] made a request through the Labor Ministry as a result of a strike—now declared illegal—called by representatives of the STENEE. The Labor Ministry declared the strike illegal following the proper procedures and after the occupation of El Cajon. It was a legal action. This must be clear. It was a legal action in reaction to an illegal and illegitimate strike that was unnecessary, worthless, irrational, and totally illogical. We feel that any sensible citizen will agree that endangering the country by occupying El Cajon, our main infrastructure, is senseless. Consequently, after determining the legitimacy of the government's action and the illegality of the union's action, the Labor Ministry proceeded within the law and we declared the STENEE strike illegal.

I want to point out that we have informed the labor organizations—the United Federation of Honduran Workers, the other two labor federations, and central organizations of trade unions—that the government is not interested in acting against the union's legal status. We want to stress that actions against national security cannot be tolerated, and the government has the legitimate right to punish the few employees who directed an action of that nature. Consequently, 10 employees were dismissed in El Cajon and probably a few more will be dismissed by ENEE.

To prevent misunderstandings, we must clarify that the government has no plans of suspending STENEE's legal status.

[Reporter] Is this the end of good relations, or on the contrary, the establishment of new rules of the game?

[Callejas] We have enforced the law. I believe that as the government, we have been extremely prudent, patient, and open-minded in the dialogue. We have been criticized for this. I feel that workers have a right to accomplish their objectives of advancement within the new options of political pluralism and democracy. Those objectives should not be pursued by adopting positions of permanent confrontation, as in the case of the STENEE.

As president, I am responsible for the security of the country. The takeover of the El Cajon Dam installations posed a danger to national stability because of the repercussions of this action. For that reason, the government stance was aimed at showing it has the moral and legal authority to defend the interests of the majority of the people.

[Reporter] Mr. President, you said that the legal status of the STENEE will not be suspended. You did announce that El Cajon Dam employees who joined the strike will be punished. Will sanctions be applied?

[Callejas] Yes.

[Reporter] You will apply sanctions.

[Callejas] We already dismissed 10 employees.

[Reporter] Including labor union leaders?

[Callejas] Following the meeting with the United Federation of Honduran Workers [FUTH] taking place right now, we will make the decision.

[Reporter] Will there be more dismissals?

[Callejas] Just a few more, but, yes, there will be dismissals.

[Reporter] Do you mean employees of the ENEE?

[Callejas] That is right.

[Reporter] Is this a new political decision?

[Callejas] It has nothing to do with politics. We have adhered to the view that we can conciliate the relations of the state, as management, with the employees of its autonomous entities. I realize that, as president, I adopted major economic transformation measures that entailed adjustments. We are also aware that we have a new world with a society of opportunities, rather than a centralist society. The collapse of the Berlin Wall changed the world's ideology for most people. A few people, however, still have the bad habit of adopting other kinds of action. That situation prompted us to establish a well-defined government position. Whenever the security of the state is attacked, the government will enforce the law to protect the majority.

[Reporter] Why are there so many problems with STE-NEE?

[Callejas] We do not understand it. There is always an excuse. There is always a motive. It is always charging violations of collective agreements. In the latest remarks by some union members and other labor groups, they accused the government of trying to harm labor unions by sponsoring solidarity boards. In fact, we had just reached an agreement with the Confederation of Honduran Workers, as a fundamental principle of my government policy, that solidarity boards do not represent workers because we regard it as yet another manifestation of capitalism. Thus, it cannot represent the national labor force.

We submitted that amendment to the Labor Code—how can they say that the government is sponsoring solidarity? The unions say that the government is following the

mandates of transnational companies. We are asking transnational companies to abide by the Labor Code. We are committed in that respect. After the El Mochito dispute was settled, when the Tela Railroad Company and the Trade Union of Tela Railroad Company Workers [SITRATERCO] agreed to negotiate, and a climate of peace and stability existed between management and the labor force; the unexpected strike began and the employees seized the equipment at El Cajon Dam, and the security of the state came under attack.

We really felt that the time had come to establish a fundamental principle of solidarity, because interests....

[Reporter, interrupting] There was no [word indistinct]. [Callejas] Yes, there was. It existed but there was some flexibility in the relations. In this case, when the security of the country was under attack at EL Cajon Dam and infrastructure, we acted in accordance with the law.

[Reporter] Do you think these dismissals and the implementation of sanctions on union leaders and employees will worsen your problems with this union and the country's labor groups?

[Callejas not heard answering this question]

[Reporter] Will there be a response, Mr. President?

[Callejas] We hope that the reaction will be based on the law.

[Reporter] So negotiations are no longer taking place. The ENEE problem is not going to be solved through negotiations; instead we are on the verge of a clash.

[Callejas] We told the FUTH that they are responsible for the the actions of the STENEE. We mentioned a number of points, outlining the mechanisms that we feel must be adopted so the necessary corrective steps will be taken.

[Reporter] Does that mean that (?FUTH) does not control it?

[Callejas] We have not heard their response, but the union leadership is negotiating with a commission appointed by the government. I hope the FUTH is able to restrain and control STENEE.

[Reporter] Mr. President, is it possible to solve the problem between the ENEE management and STENEE through negotiations?

[Callejas] There are different options within the framework of legal actions. The purpose of legal action is to select a legal course.

[Reporter] Do you think the dismissals will heighten the problems between the country's unions and your government?

[Callejas] If the dismissals are prompted by unlawful acts, it would seem that we all must abide by the law.

[Reporter] Mr. President, you said this morning, during the inauguration of a health center, that the STENEE is capable of everything, not in the defense of the people's interests, but in the defense of other interests. What are those interests? Can you specify?

[Callejas] When the actions taken are not aimed at providing a benefit to society or workers, I perceive a different type of intent. The intent is to maintain a climate of uncertainty by confronting the Honduran Government.

[Reporter] Are you talking about politicians, opposition, or ideological matters?

[Callejas] I leave the topic open for discussion. I believe the ideological issues in this case must be studied according to the historic times in which we are living. There are groups with outdated ideological positions. There is political pluralism now, integration of the different groups. We have brought back all those with ideological inclinations, Marxist-oriented groups. They are all in the country. There is only one labor union, the STENEE, that continues its permanent and persistent pressure to obstruct the country's tranquility.

[Reporter] You are leaving open the possibility that it may be an opposition party that is fanning the fire, Mr. President?

[Callejas] Please do not interpret it that way. I am not saying that. I am talking about interest groups pressuring the STENEE.

[Reporter] Do you deny there are political interests involved in the autonomous institution problem?

[Callejas] We are talking about the ENEE. Consequently, in this specific case, I only perceive the interest and participation of groups that are not yet political parties.

[Reporter] What about the labor unions of other autonomous institutions, Mr. President?

[Callejas] I do not think so. I really do not perceive the presence of party politics in these institutions.

[Reporter] Mr. President, the labor union will probably file a lawsuit. Is this a delaying tactic?

[Callejas] They have a legal option and, since we are acting according to the law, we hope their response is also based on a legal framework.

[Reporter] Why have conflicts emerged in places such as (Ampa), the Tela Railroad Company, and ENEE? These are three problems, three conflicts between the labor unions and the companies. Why does the government not solve them the same way?

[Callejas] The three are getting the same type of solution because the solutions are all based on the labor code.

[Reporter] The (Ampa), however...

[Callejas, interrupting] We negotiated and we decided on a legal solution, a supernumerary judge was brought in to decide on the case of the workers who were dismissed and to decide if it was a legal or illegal measure. This means the (Ampa) conflict was handled by the appropriate courts. In the case of the SITRATERCO, it is going through the mediation stage as established by the labor code. The three cases have been resolved according to the law. The (Ampa) case is quite different. There is something that endangers the labor union organization: solidarity. I met with the labor unions and told them that

we had to seek a legal solution to this organizational alternative which, in my opinion, cannot represent the voice of workers. Consequently, we went through the legal steps and asked the congress to reform the labor code so that labor unions are the only representatives of the workers. As you can see, we have always taken legal steps.

[Reporter] The same treatment is given to problems between the administration and the labor union?

[Callejas] It is the same treatment, but at different levels according to the labor code.

[Reporter] Mr. President, when you speak of levels, it is clear that high-level negotiations were held at the presidential palace to discuss the problems at the (Ampa) and the Tela Railroad Company. You participated as a mediator. However, the same was not the case for the STENEE.

[Callejas] We appointed high-level commissions to hold a dialogue with the labor union, we invited the company to participate, and we told the United Federation of Honduran Workers about the need to solve the problem.

[Reporter] Was the government afraid that the STENEE problem could not be solved?

[Callejas] No. Actually we were seeking an option that could allow both sides to reach solutions, after recognizing their mistake in occupying vehicles, especially at El Cajon. The occupation of El Cajon endangers the country's fundamental infrastructure, the country's economy, and the security of the Honduran state. Perhaps you could bring here the engineers who have made a big sacrifice, who are still in the tunnels and engine rooms at El Cajon. Have them tell you of the risks. What risks would be run if the pumps are stopped at level 78 and if the water level rises? What is at stake? The Honduran people must be aware of this action, which was truly against national security interests.

[Reporter] Mr. President, do you believe some of the decisions made by the labor union leaders were made with the certainty that no government would adopt an attitude such as the one adopted tonight, a political one if you will?

[Callejas] There are precedents showing that other governments have declared strikes illegal. This is not the first time. We are simply basing ourselves on the labor code regulations, despite the difficulties. I have told workers that there is an option contained in the labor code, which tends to tip the balance against the labor unions and in favor of capital and owners. In this specific case, there are elements demanding a more precise action by the government as a result of the security risks at the El Cajon installations.

[Reporter] Mr. President, has the government used the mechanisms contained in the labor laws to solve labor conflicts, such as the conciliation board or meetings between businessmen, workers and the government?

[Callejas] The fact is that administrative rules are limited by the law and have to be argued at the judicial level. A

few nights ago, I was watching this program in which the president of the Honduran Council for Private Enterprise [COHEP] stated a basic principle. He said that the labor code needs to be reformed. I agree with that and I heard Vicente Williams tell the unions that the labor code must be reformed because the legal procedures at the justice courts are too slow to satisfy management or the workers.

[Reporter] Mr. President, why does the Labor Ministry—which, by the way, is controlled by the opposition—give us the impression that when these labor conflicts occur, it does not have the necessary authority to act?

[Callejas] It does have the authority. The interesting fact is that conflicts have existed without having strikes. For example, the SITRATERCO is not on strike, they are going through a legal process. In the case of the (Ampa), the union was not on strike, but the El Mochito mine was occupied because free access had been blocked. This is to say that we are often dealing with problems through the labor minister, who stops conflicts by seeking agreements between the parties.

[Reporter] Is it not true—as the president of the COHEP has said—that the labor minister is often thrown into the fire so he burns himself?

[Callejas] No way. I am very satisfied by the labor minister's work. Furthermore, he is definitely the first person who must seek alternative solutions to these problems. I believe that, despite these social and labor problems, the Labor Ministry has handled the situations very effectively.

[Reporter] Mr. President, do you think the conflicts with the unions are a result of the economic measures?

[Callejas] At one time or another that was probably their argument. I remember that during the electoral campaign, I did not sign a proposal made by the Struggle Platform for the Democratization of Honduras on the 500th Anniversary to both Liberal and National candidates. I did not sign this proposal because it followed an economic policy that would have resulted in a profound economic crisis. From that moment, we disagreed on the measures necessary for the country's transformation programs. We made decisions that did not coincide with the labor sectors political ideologies.

At the beginning of the adjustment program, there was a human crisis brought on by the liberalization of prices and inflation, which are now under control. The economy is stable, and we are finding favorable answers.

I will reiterate here, as I did the last time I was here with you: Fellow patriots, the basic stage of the structural program for reordering the Honduran economy is over, there will be no more taxes. The economy is stable, there is international credibility, there is economic growth of 1 or 1.2 percent this year, inflation has been reduced, and we have an optimistic outlook for 1992.

Look at this case: The salary adjustments and compensation we have granted allows us to establish that salaries in October and November 1991 have recovered the

acquisitive power of the salaries of November 1989 and 93 or 96 percent of the acquisitive power of the salaries of 1980. Before the salary adjustments of October 1989, the acquisitive power of the lempira was only 68 percent. We have stabilized the economy, the economic sector has a solid base, and the fiscal deficit is under control. This year it will be 4 percent.

[Reporter] Does that mean you can buy more now, compared to 1989?

[Callejas] The salary is similar to the salary in 1989 and 1980—we must remember that between 1980 and 1989, the minimum wage was not increased. Therefore, the value of the currency in October 1989 was 73 percent. That is to say, that the lempira's acquisitive power had been reduced, thus, reducing the acquisitive power of salaries. How do we compensate that loss of acquisitive power for those who earn the minimum wage? The minimum wage in October 1991 has the same acquisitive power as in October 1989 and January 1980.

[Reporter] Mr. President, a few minutes ago you discussed economic measures. Do you believe that the unions and the collective bargaining contracts are an obstacle to obtain the results that you and your government expect from the economic measures?

[Callejas] No, not at all, I do not believe they are an obstacle. I believe they are the correct alternatives for those who have a job and are under a collective bargaining contract to attempt to improve their purchasing power. This is the correct procedure to follow. Those not under a collective bargaining contract, depend on the increase in the minimum wage. For other sectors, such as government employees and teachers, their alternative is dialogue with the government. The mechanisms exist to find answers. This is why I mentioned a few minutes ago that in January we will meet once again with [words indistinct] and the labor unions to review the minimum wage and attempt to correct the distortion created during the last months of the year. In January, we want to have a minimum wage higher than the minimum wage of October 1989. Even if the increase is only a small percentage, this will allow economic mechanisms and economic growth in 1992 to produce salary compensation that will decidedly improve the purchasing power of the Hondurans.

[Reporter] Has the intervention of solidarism, particularly in some [word indistinct] companies that has resulted in labor conflicts, aimed at eliminating labor unions?

[Callejas] I believe this intervention is aimed at eliminating labor unions.

[Reporter] Do you agree with this position?

[Callejas] I have made my position very clear. We do not accept solidarism as an organization representing the work force.

[Reporter] How do you regard solidarism?

[Callejas] I regard solidarism as an organization, similar to a cooperative that looks after the economic interests

of certain groups within a company. Nevertheless, they do not represent the work force. Why does it not represent the work force? Simply because solidarism is an appendix of the firm, while labor unions represent social gains by organized groups that are able to negotiate better conditions with the firm. It is not a give-away, it is not an action that stems from the capitalists. The balance between the capitalists and the workers is negotiated. That is my position. We support democratic unions and not solidarism.

[Reporter] Under the definition you have given of solidarism, do you promote it?

[Callejas] We do not promote solidarism. [passage omitted]

[Reporter] Is HONDUTEL [Honduran Telecommunications Enterprise] going to be privatized?

[Callejas] I still do not have an answer to that question. This is something that has to be analyzed by all sectors. We are attempting to strengthen HONDUTEL's overall service and increase revenue. We have already made the decision to broaden the telephone network. I have given HONDUTEL instructions to proceed immediately with the preparation of a program, which was already made public, to extend the telephone network to 110,000 lines. For the Choloma free zone and the industrial park zone, I have authorized the purchase of a 3,000-line telephone exchange by direct contract, not through a bid, given the urgency of this matter. We want HONDUTEL to be more efficient.

[Reporter] Why do you support government workers' unions if you are against solidarism?

[Callejas] I do not understand that question.

[Reporter] When will the workers of the San Pedro Sula City Hall receive the raise they were promised?

[Callejas] This matter must be taken up with the San Pedro Sula City Hall, which according to municipal law, is autonomous. My responsibility is to the government employees of the central government. We will start giving them, as well as the nurses, other auxiliary personnel of the health sector, and the teachers a new salary raise in the first quarter of 1992. [passage omitted]

[Reporter] Who is your candidate?

[Callejas] The one chosen by the National Party of Honduras in a democratic process.

[Reporter] Why has Oswaldo Ramos Soto not been prosecuted if he was removed from his post for embezzling Supreme Court of Justice funds?

[Callejas] That was not proven. The Congress of the Republic adopted a decision on the case. I remember that the decision was based on his political actions. The charges of corruption have never been established and I believe that Dr. Oswaldo Ramos Soto and other Judicial Branch officials are honest people. If anyone wants to charge them, the correct thing is to proceed according to the law.

[Reporter] Mr. President, do you think that restricting the Judicial Branch's budget—its budget for this year was reduced by 800,000 lempiras—weakens the fight against white collar crime?

[Callejas] We are giving the Judicial Branch compensation, but I think each program should be based on its capability to implement the best alternatives. I believe the Judicial Branch has substantially improved its management of revenues. I consider it important to continue supporting the Judicial Branch in various ways and we will do it gladly.

[Reporter] Do you think the best way to reduce the fiscal deficit is by firing 5,000 public employees in January, thus increasing the unemployment level?

[Callejas] Why do you believe everything reported by a newspaper—if it does not support its charges with evidence in this specific case? The truth is that we will not fire 5,000 public employees. I clearly reassert this. We have stated this on several occasions, but this is sometimes used by opposition groups, which state things that are not true, for political purposes. [passage omitted]

[Reporter] Dr. Callejas, a fellow party member wants to know why fuel prices have not been adjusted, when it is cheaper in other countries.

[Callejas] The fuel issue is discussed every day by Voz de Honduras Network; fuel prices are reported every day. You have seen how the price of fuel rose from \$21 to \$23, instead of dropping. The price has been slightly reduced. We work with a specific system: Fuel prices are adapted to the international price. When the international price drops, we will pass that reduction to the consumer. We did it on one occasion and if it occurs, we would do it again. [passage omitted]

[Reporter] Mr. President, regarding Central American integration, the presidential summit, and the attitude by El Salvador—which is trying to restrict our access to the Gulf of Fonseca—why is that country given access to the Atlantic Ocean?

[Callejas] You can go anywhere in Puerto Cortez and find Salvadoran trucks. It seems to me that if we are moving toward integration, we will have to develop a viable infrastructure with Guatemala, El Salvador, and Nicaragua. By next year we should have a verdict, a ruling from the International Court of Justice. El Salvador does not intend to restrict traffic; it involves the delimitation of the economic zone and the use of the resources. If you remember, when the presidents of El Salvador and Guatemala visited, we signed an agreement that contemplated the fundamental issue of the joint administration of the gulfs. The gulfs refer to the Gulf of Fonseca and the Gulf of Honduras, which involves Belize, Guatemala, and Honduras.

What I would like to say is the following: A long time ago Honduras and El Salvador agreed to accept the verdict of the International Court of Justice. Let us allow the world's justice—the international justice—to take action to resolve and settle the border issue as we agreed to let

it do. Meanwhile, let us use the Central American economy's most important passageway.

[Reporter] Will the ruling, whether it be in favor or against Honduras, stop the opening of the dry canal with El Salvador?

[Callejas] The International Court of Justice's verdict will simply determine each nation's right according to the evidence submitted regarding border delimitations.

[Reporter] I ask you this Mr. President because you saw what happened in the case of Nicaragua. Supposedly, the Nicaraguans were almost forced to withdraw their lawsuit against Honduras at The Hague, and now they are asking their government not to ratify the treaty on Serranilla. This gives the impression that Nicaraguans believe that they must first protect their own country and then address regional problems.

[Callejas] The Nicaraguans are rapidly joining Central American integration, they are part of the process. I understand that for Nicaragua, it is not so much a legal matter, but rather a moral issue. This is a lawsuit that is being withdrawn in accordance with the governments' decisions, which we support. The lawsuit is being withdrawn at an international court and there will be a ruling. This is what happened in the case of the King of Spain and subsequently, the case at the International Court of Justice delimited our border with Nicaragua. In the specific case of El Salvador, we must wait for the sentence. I believe the sentence will meet the interests of both our nations.

[Reporter] We have one last question. Your political party was given the approval to begin the political campaign tomorrow. Do you fear this will have an affect on your administration's work?

[Callejas] No, I do not think this will affect the work of my administration. In the past months, the government has already made the fundamental decisions necessary to reconstruct the nation's economy. We have concluded the most critical part of the economy's reorganizing program, the adjustment phase. Therefore, we believe that it is perfectly all right for 1992 to be a political year, and it will be, given that the political parties will have internal elections.

[Reporter] Not long ago you said: Let me work in peace. Were you making reference to the opposition or to your own party members?

[Callejas] At that time, I sent a letter to the Central Committee of the Honduran National Party asking the presidential candidates to leave adequate time for the national government to make fundamental decisions on the national economic program before beginning political campaigns. I truly appreciate that they made this decision. The politicians and the technicians must think alike because one is compatible with the other. What is important is that the technicalities must not exclude political decisions. Nevertheless, the politician who takes measures that are not technical will never resolve his people's problems.

[Reporter] We are going to end the program, Mr. President, with your words to the Honduran community.

[Callejas] I reiterate my willingness to continue working very hard for the nation I care so much for. My wife Norma and I are totally dedicated to the nation and we understand the sufferings of the Honduran people.

Nicaragua

PIAC Legal Status Confirmed by Government

PA2611203891 Managua Radio Nicaragua Network
in Spanish 1815 GMT 25 Nov 91

[Excerpts] The Central American Integrationist Party [PIAC] was recently granted legal status by the National Council of Political Parties. The announcement was made by Doctor Orontes Perez Arevalo, legal adviser to the party, which is represented at the National Assembly. Perez Arevalo said that the Sandinist government had stripped the PIAC of its legal status, but that justice had finally prevailed. Our party, he said, has condemned the Sandinists' actions throughout the country, and it has urged the president to punish the perpetrators.

[Begin recording] [passage omitted]

[Unidentified reporter] We will now hear a communique read by Dr. Perez Arevalo.

[Perez Arevalo] The PIAC informs the Nicaraguan people that it has been granted legal status by the sovereign decision of the National Assembly on 13 November 1991, and as a legally constituted party it strongly condemns the reactionary savagery and the primitive barbarism perpetrated by those who were defeated by a majority of over 85 percent of the electorate on 25 February 1989.

The PIAC demands punishment for the masterminds, actual perpetrators, and accomplices of these enemies of the people, who have no regard for constituted authorities and public order.

The PIAC urges the president of the Republic to use the political power granted to her by the sovereign people, and to restore justice, order, and law to achieve peace, economic development, and social stability.

No more dictatorships; yes to democracy.
National Executive Council of the Central American Integrationist Party
Managua, 14 November 1991. [end recording]

Panama

Endara Accuses EPASA of Pressure Campaign

PA0312030391 Panama City Circuito RPC Television
in Spanish 2300 GMT 2 Dec 91

[Text] President Guillermo Endara Galimany flatly denied on 2 December that there had been a coup

attempt by the Institutional Protection Service. Endara said the Pan-American Publishing House [EPASA] was responsible for a campaign against him.

[Begin Endara recording] Two newspapers are responsible for what is clearly a campaign to exert pressure on the president. This campaign is not intended to protect citizens' rights as it has been made to appear. The purpose is less altruistic, and the Panamanian people should know what it is. The purpose of the campaign is to force the president to order the National Bank of Panama to lift the mortgage on EPASA properties. Despite the pressures brought to bear against me, I have not issued this order and will never do so. This would be an arbitrary act and a violation of the law. I am telling these newspapers' owners that their attacks on two organizations with direct links to the presidency will not be a successful way of exerting pressure on the president to resolve their problems.

There is much more at stake than a problem with a newspaper. The democratic institutions we need to build and the fairness we need to maintain in dealing with private interests are at stake. I know what will happen next: A relentless campaign will be unleashed against me, but I must tell the truth about what is happening. [end recording]

EPASA President Rosario Arias de Galindo told RPC Television late this afternoon that she considers the situation to be delicate following the president's statements. Mrs. Rosario Arias de Galindo assured us that EPASA is preparing a written statement of the firm's position.

We will broadcast the EPASA statement in our next newscast.

Ford Reiterates Need for Economic Reforms

PA0312000391 Panama City Circuito RPC Television in Spanish 2300 GMT 27 Nov 91

[Text] Guillermo Ford, minister of planning and economic policy, said on 27 November upon his return from a meeting with private bankers in New York that unless Panama approves the laws on social security and tax reform and privatization, no negotiations with the International Financial Institutions [IFIS] will be possible.

[Begin recording] [Ford] I met with private bankers in New York to explain in detail the country's economic problems. The meeting was also attended by representatives of the IFIS. We hope to fulfill the terms of these negotiations in December and update our payments, which are in arrears. It was a very important meeting. We also requested the exemption required to swap foreign debt for nature. The IFIS is considering this request, and we hope it will be granted.

[Reporter] It seems that the Legislative Assembly delays the approval of these laws every day. There was no

meeting today, and there may not be a meeting on 6 December, either. What could come of this?

[Ford] Simply put, Panama has reached an agreement with the IFIS. If the laws are not approved, there is no business. It is very clear.

[Reporter] Do the IFIS have any suggestions?

[Ford] No. These three laws are to Panama's advantage; they are not an imposition. I must clarify that the IFIS are backing Panama's economic program. It has been said throughout the media that social security reforms are indispensable. This is also true regarding tax reforms and privatization laws....

[Reporter, interrupting] But not a single law has been approved?

[Ford] The social security law is on its way to approval. I hope the law is approved quickly. [end recording]

Minister Ford described the certain labor sectors' criticisms as demagogic.

[Begin recording] [Ford] I read in the newspapers that the National Federation of Associations of Public Workers [FENASEP] wants to receive retroactive payment for their 13th month bonus. Why does the FENASEP not say they want the money earmarked for hospitals, schools, and roads; services that require improvement. You see, there is much demagoguery and confusion in this country. [end recording]

Attorney General on Legislative Immunity Incident

PA3011192191 Panama City LA PRENSA in Spanish 29 Nov 91 p 1A

[Article by Vilma E. Figueroa B.]

[Text] Attorney General Rogelio Cruz said on 28 November that no one is authorized to defend any right with weapons, much less with an AK-47 assault rifle, while he stressed that legislative immunity does not mean that crimes can be committed with impunity.

Cruz' statement came after PRD [Democratic Revolutionary Party] Legislator Miguel Bush created an incident at the Colon Free Zone, when, claiming legislative immunity, he pulled out an AK-47 assault rifle to prevent Customs agents from inspecting his vehicle.

"In a state of law, abuses based on legislative immunity cannot be allowed," therefore any government official, including legislators and the ministers, can be checked out by Customs agents, Cruz said.

Cruz added that the only time a person has the right to defend himself with a weapon is for legitimate defense as established in the Penal Code. "No one was going to kill him (Bush), his life was not in danger, there was no reason for him to pull out the weapon," Cruz explained.

The laws specifies that legislators have immunity five days before and five days after each legislative period, that the Attorney General's Office investigates them, and that the Supreme Court tries them, in case they are caught violating a law or committing a crime.

The attorney general noted that Article 149 of the Constitution prevents legislators from being persecuted for penal or police cases, but that immunity does not have effect when the legislator turns himself in or if an outright crime is committed.

Therefore, said Cruz, if Customs catches a legislator in a flagrant violation of the law, the immunity would have no effect and the general attorney would have to conduct an investigation.

"How are we supposed to catch a legislator in a flagrant violation of the law if we are not allowed to search his car? The provision that states that immunity is lost if a legislator is caught red-handed is contradictory and becomes absurd and unnecessary," he said.

With regard to what the law states, Cruz said that Customs inspectors may investigate private citizens and government officials, except those the Constitution states should be tried by a special authority.

Among such officials are the President of the Republic, the vice presidents, and the general attorney, whom the Customs director may not investigate on contraband charges.

On Bush's use of AK-47 rifles to defend his legislative immunity, Cruz said that he did not believe that every legislator should have the right to carry an AK-47 or drive a tank. "This interpretation of the law, taken to the extreme by Bush, leads to the absurd," he said.

The general attorney said that he believes there is a legal loophole in the Constitution about what is included under the term government, which is the only entity authorized to use assault weapons.

According to Cruz, the Assembly should promulgate a law to regulate Article 307 of the Constitution and define the scope of the term government. In so doing, they would determine who has the right to carry large caliber weapons, even though he, as attorney general, believes that it is unnecessary for a legislator to carry an AK-47.

Ford: No Electric, Water Services Privatization

PA0312030491 Panama City Circuito RPC Television in Spanish 2300 GMT 27 Nov 91

[Text] Guillermo Ford, minister of planning and economic policy, briefed the National Assembly's Finance

Commission on 27 November. Minister Ford presented the commissioners with a report on the goals of the draft resolution on privatization of Panama's public services. Ford emphasized that approval of this law is important because it will allow the government to privatize certain institutions. He reiterated the government's position not to privatize the Institute of Hydraulic Resources and Electrification and the National Water and Sanitation Institute. Ford was emphatic when he said that privatization is not a response to pressure from international financial institutions. On the contrary, these organizations are supporting the Panamanian economic plan, Ford stated.

Ruben Blades Registers New Political Party

PA2711195691 Panama City LA ESTRELLA DE PANAMA in Spanish 27 Nov 91 p 1

[Article by James Aparicio]

[Text] Without a political platform and without adhering to a well-known ideology, Panamanian salsa singer, composer, actor, and lawyer Ruben Blades, has initiated the registration of a political party called Papa Egoro, which he said is "an alternative" based on intelligence, courage, goodwill, and honesty.

"I am in a situation here that forces me to participate in a more responsible manner in a civic and clean movement, which values ideas and not the color of the skin, names, or surnames," Blades said.

The composer of "Pedro Navaja," "Maestra Vida," and "Prohibido Olvidar" said that Papa Egoro (mother country in Indian dialect) "is not a Ruben Blades fan club, because Panama does not need strongmen."

Blades explained that his party initiated a national survey to draft a platform, which, according to him, needs the support of the entire country.

The new politician said that Edwin Gonzalez will be the first vice president of Papa Egoro and architect and painter Brooke Alfaro. [sentenced as published] Lawyer Jose Moncada Jr. and singer Henry Gorgona were also introduced as members of the party.

Blades, who has been out of the country for 17 years for professional reasons, plans to live in the Catedral neighborhood, some four blocks away from the Presidency.

During a news conference held last year, Blades said that he was moving to the Catedral neighborhood "because it was closer to work."

Blades, who has a doctorate in law from Harvard University in the United States, has hinted at the possibility of running for president in 1994.

Argentina**Mid-Term Elections Held in Catamarca**

PY0212234091 Buenos Aires BUENOS AIRES
HERALD in English 2 Dec 91 p 1

[Text] Catamarca (NA-DYN)—Radical Arnoldo Castillo, the gubernatorial candidate of the Civic and Social Front (FCS), was winning by a landslide last night in mid-term elections in Catamarca, thus ending the long hold on power of the Saadi family in this north-western province.

In the last leg of the four-month mid-term electoral process, some 200,000 citizens voted for governor, national and provincial legislators in Catamarca and Tierra del Fuego, where such an election took place for the first time since that national territory was transformed into a province this year.

With more than 50 percent of the votes counted, Castillo was collecting 59 percent against 32 percent for Saadi's Movement of Popular Affirmation (MAP) and barely 7.9 percent for farmer Francisco Sotomayor, a staunch supporter of the policies of President Carlos Menem.

Castillo, who was mayor of the capital city and governor of the province under the last military dictatorship, was supported by a broad coalition of Radicals, anti-Saadi Justicialists and independents.

In San Fernando del Valle de Catamarca, Radical Bri-zuela del Moral easily doubled the votes of his pro-Saadi rival. The two Lower House seats in dispute go one to FCS (dissident Peronist Miguel Marcolli) and the other to Saadi himself, who also ran as first candidate for deputy in his list.

As for Tierra del Fuego, the first elected governor of that former national territory will be known after a second round run-off next Sunday, since the candidates of the Tierra del Fuego Popular Movement (MPF) Jose Estabillo and the Justicialist Front for Victory (FREJUVI) Esteban Martinez ended neck-and-neck in the gubernatorial race.

At press time Estabillo was collecting 44 percent of the cast ballots while Martinez was supported by nearly 42 percent of the voters. None of the candidates was likely to get the 50 percent necessary to win the polls without a second round as the recently approved provincial constitution states.

With the election strongly polarized between these two candidates, the Radicals trailed behind with some six percent of votes.

New Environment Undersecretary Named

PY0212233691 Buenos Aires BUENOS AIRES
HERALD in English 2 Dec 91 p 7

[Text] (NA-DYN)—Deputy Hector Delmau (Justicialist-Misiones) yesterday accepted newly appointed Environment Secretary Maria Julia Alsogaray's offer to become environment undersecretary.

On announcing the news, Delmau told the press his main priority will be "the problem of water pollution."

During an interview with Radio Continental, Delmau criticized the construction of huge hydroelectric dams, such as the one planned in Parana Medio, "because there are cheaper alternatives that also produce less social and environmental damage."

He disclosed that "in other countries it was discovered that these huge dams caused serious illness among the population."

The legislator, who currently presides over the Natural Resources and Environment Committee in the lower house, believes that "the country is currently lacking a clear political commitment to approve environmental laws in Congress, like one to control the introduction, transport and disposal of hazardous waste."

Delmau also demanded that the government make "a quick decision on a decree to ban the import of human excrement from the First World," which he described as "a shameful business conducted by several private companies."

Bolivia**Postponement of Coca Eradication Deadline Sought**

PY2911153091 La Paz Radio Fides Network
in Spanish 1100 GMT 29 Nov 91

[Text] The government has asked the U.S. Government to postpone, until 30 January 1992, the deadline for the eradication of 7,000 hectares of coca plantations.

Mauro Bertero, agriculture, livestock and campesino affairs minister, said that between 5,000 and 6,000 hectares of coca plantations will have been eradicated by the end of December.

[Begin Bertero recording] The eradication program has been dramatized too much. The people must be told that the average purchase price of coca in the four different regions of Chapare and Cochabamba is (225) bolivianos [no measurement specified], thus making it impossible, I repeat impossible, for the peasants to voluntarily or compulsorily agree to eradicate their plantations. Until yesterday we had eradicated 4,970 hectares and hope to reach 5,000 hectares by the end of November. By the end of December, we expect to have eradicated between 5,500 and 6,000 hectares. [end recording]

Reporting on antinarcotics struggle in Bolivia, Acting Interior Minister Marco Antonio Oviedo said that there is no evidence that the Bolivian drug traffickers are linked to the Colombian Cali Cartel. [recorded passage indistinct]

Economic, Political, Social Situation Reviewed

PY2911165691 La Paz Television Boliviana Network
in Spanish 0200 GMT 29 Nov 91

[Text] The government's official spokesman has said that the economic, political, and economic situation were reviewed during a recent cabinet meeting.

Information Minister Mario Rueda Pena said that there are no shadows on the economic horizon, thus confirming what is common knowledge about the country's current economic status.

This report indicates a 4-percent growth rate for 1991, an inflation rate that should not exceed 15 percent, an unemployment rate of barely 7 percent, and an increase in the public's dollar deposits in the national banking system—which the information minister emphasized as a sign of the public's growing confidence in the government and its economic model.

[Begin Rueda Pena recording] The finance minister has mentioned a point that is worth emphasizing; the growing confidence that the public has in the political system and in the government program, especially concerning economy and finance.

The public's deposits in the banking system continue to increase. I have forgotten the exact figure, but the increase is significant.

So far in November, the inflation rate barely reached 0.8 percent and it is expected to reach 1 percent by the end of the month. [end recording]

President Praises Peaceful Electoral Campaign

PY2911134691 La Paz La Red Panamericana
in Spanish 0000 GMT 29 Nov 91

[Text] President Jaime Paz Zamora is satisfied with the peaceful nature of the municipal electoral campaign which concluded last night.

Presidential spokesman Mario Rueda Pena spoke on behalf of the president. He compared the electoral campaigns in other countries, saying that in Colombia, Venezuela, and in other countries the electoral process is marked by violence. In Bolivia the democratic maturity of the people has allowed the electoral campaign to develop peacefully.

Rueda admitted that in some cases there was some verbal attacks and some isolated incidents between supporters of rival political groups but these events did not affect the municipal electoral process. Rueda praised the equidistant position taken by President Paz regarding the government and opposition candidates.

[Begin Rueda recording, in progress] ...an equidistant attitude, a position of nonintervention in the electoral campaign, which openly contrasts with the chiefs of the opposition political parties who helped their candidates [words indistinct] [end recording]

Rueda Pena said that the president remained impartial regarding the electoral process and allowed the parties to conduct their campaigns freely. Hugo Banzer, president of the political council of the Patriotic Agreement, openly expressed his unconditional support for Ronald Maclean, the government candidate, saying that he will win in Sunday's municipal elections.

Provisional Municipal Election Results Reported

PY0212163291

[Editorial Report] La Paz Radio Fides Network in Spanish at 1100 GMT on 2 December 1991, during its regular newscast, carries a compilation of reports on the 1 December municipal election in the Bolivian departmental capitals. All results are unofficial.

In La Paz, the Conscience of the Fatherland, Condepa, has won and Julio Mantilla Cuellar will become the new mayor because the Patriotic Agreement, which comprises the Nationalist Democratic Action, ADN, and Movement of the Revolutionary Left, MIR, vowed to support whomever obtained most votes. The Condepa obtained 28.57 percent of the votes and seats for four councilmen; the Patriotic Agreement obtained 23.21 percent and seats for three councilmen; the Nationalist Revolutionary Movement, MNR, obtained 22.33 percent and seats for three councilmen; the Solidarity Civic Union, UCS, obtained 19.6 percent and seats for two councilmen; and the Free Bolivia Movement obtained 4.49 percent and one seat.

In Potosi, the Patriotic Agreement obtained 11,055 votes and seats for four councilmen, the UCS obtained 10,439 votes and seats for four councilmen, the MNR obtained 5,361 votes and seats for two councilmen, the Free Bolivia Movement, MBL, obtained 2,873 votes and one seat, the Condepa obtained 2,729 votes and one seat, and the United Left, IU, obtained one seat.

In Oruro, the UCS obtained 47.83 percent of the votes and seats for six councilmen, the MNR obtained 17.43 percent and seats for two councilmen, the Patriotic Agreement obtained 16.05 percent and seats for two councilmen, Condepa obtained 13.13 percent and one seat, the MBL obtained 2.91 percent and one seat, and the IU obtained 2.74 percent and one seat.

In Santa Cruz, the MNR won the election with 44 percent of the votes and seats for six councilmen, the Patriotic Agreement obtained 32 percent of the votes and seats for four councilmen, the UCS obtained 14 percent and seats for two councilmen, and the IU obtained 7 percent and one seat. The MBL obtained 2 percent and the Condepa obtained 1 percent of the vote but no seats.

In Trinidad, the MNR obtained 6,204 votes, or 37 percent; the Patriotic Agreement obtained 4,449 votes; the UCS obtained 4,126 votes; the IU obtained 997 votes; the MBL obtained 491 votes; and the Condepa obtained 226 votes.

In Sucre, the UCS won the election with 33.8 percent and seats for five councilmen, second came the MBL with 29.8 percent and seats for four councilmen; third the Patriotic Agreement with 19.4 percent and seats for three councilmen; fourth the MNR with 7.8 percent and one seat. The IU obtained 3.1 percent and Condepa obtained 1.5 percent of the votes but no seats.

In Tarija, the MNR obtained 8,317 votes and seats for four councilmen, the Patriotic Agreement obtained 7,437 votes and seats for four councilmen, the UCS obtained 5,345 votes and seats for three councilmen, and the Revolutionary Front of the Left, FRI, obtained 2,297 votes and seats for two councilmen.

In Cochabamba, the Patriotic Agreement won seats for five councilmen, the UCS won seats for four councilmen, the MNR won seats for three councilmen, and the MBL won one seat.

In Cobija, the Patriotic Agreement obtained 2,530 votes and seats for nine councilmen, the UCS obtained 742 votes and seats for two councilmen, and the MNR obtained 347 votes and one seat. The MBL obtained 59 votes and the IU obtained 39 votes but no seat.

No violent incidents related to the election were reported.

Environment Secretariat Sets \$2.3 Million Fund

PY2911143891 La Paz Television Boliviana Network in Spanish 0200 GMT 29 Nov 91

[Text] The General Secretariat for the Environment will disburse \$2.3 million every year for a 10-year period. This is the result of Bolivian negotiations to reduce certain debts with the United States, negotiations that concluded with an agreement between the two governments within the National Environment Fund of the Americas Initiative.

Environment Secretary Gerardo Aguirre will inform us how these funds be used.

[Begin Aguirre recording] These funds will be used to implement our environmental policies and will be used in the following order of priority; the management of natural resources, the control of basins, support for Indian communities, environmental education, and environmental awareness. In other words, a number of aspects involving certain priorities that must be implemented in the short term.

These funds are earmarked for both non-governmental and research organizations involved in social development and environmental activities so that the various proposals that they will submit us can be implemented.

The fund will be managed by an administrative council made up of seven members, four of whom will be from non-governmental organizations, two representatives of the national government, and one representative of the U.S. Government. [end recording]

Brazil

Collor To Launch Agrarian Reform Plan by 20 Dec

PY3011165691 Brasilia Radio Nacional da Amazonia Network in Portuguese 0900 GMT 30 Nov 91

[Report by Luis Augusto Mendonca]

[Text] During a ceremony held at Planalto Palace to celebrate the 27th anniversary of the Land Statute, Agriculture Minister Antonio Cabrera reported that President Fernando Collor will launch the new agrarian reform plan before 20 December.

According to Minister Cabrera, the national agrarian reform plan will be assigned funds to finance land expropriation and the construction of infrastructure buildings for the new landowners. According to the minister, the government's goal is to collect \$1 billion a year from the Unemployment Compensation Fund [FGTS] and the Finsocial [Social Investment Fund].

On 29 November, the government distributed country-wide some 75,000 titles to rural land. Before the end of the year, the number will increase to 93,000.

Collor To Present Letter of Intent to IMF

PY0312011491 Brasilia Voz do Brasil Network in Portuguese 2100 GMT 2 Dec 91

[Report by Lourival Macedo at Planalto Palace]

[Text] President Fernando Collor will hand the Brazilian Government letter of intent to IMF Managing Director Michel Camdessus. The document will be released simultaneously in Washington and Brasilia on 4 December.

After visiting Chile and Argentina, Michel Camdessus arrived in Brasilia, where he met Acting President Itamar Franco, Economy Minister Marcilio Marques Moreira, Central Bank Chairman Francisco Gros, and Brazilian representative to IMF Alexandre Kafka, among many others. Commenting on the IMF recommendations for Brazil, Acting President Franco said that social needs cannot be a subproduct of the economy, i.e., the country should not adopt an economic policy that worsens the existing social difficulties. Camdessus retorted, however, that the Latin American countries that implemented the IMF recommendations have achieved more social justice. He also said that to resume its leading position in Latin America, Brazil must end inflation and the public deficit, increase the number of taxpayers, and continue to open its economy to the international economic community.

In an interview granted right after the meeting, Minister Marques Moreira said that after Collor presents the letter of intent, the agreement between the Brazilian Government and the IMF will probably be signed in January 1992. He added that he foresees a high quality economic growth:

[Begin recording] We will experience a high quality growth. By this we mean a sustained economic growth based on social justice. [end recording]

During the meeting with Franco, Camdessus promised to help other countries to overcome their skepticism over Brazil. He said that international opinion has a mistaken concept of Brazil.

Camdessus added that during this short visit and in his contacts with congressmen, he noticed that Brazil is quietly implementing profound changes.

Party Leader Criticizes Collor Over Economy

PY0212220291 Rio de Janeiro O GLOBO
in Portuguese 1 Dec 91 National News p 4

[Text] Fortaleza—Tasso Jereissati, president of the PSDB [Brazilian Social Democracy Party], described as doubtful the government's economic stabilization program considering that President Collor prefers confrontation with workers and businessmen rather than dialogue. He said that during a critical speech that was applauded by nearly 200 businessmen who attended the installation of the new Ceara Industrial Center [CIC] executive board on the night of 29 November. Jereissati said that Collor "lacks political support, and a president who has no program or a commitment to society is isolated and is massacring the Brazilian people."

He said: The national agreement is becoming even more difficult because of the incompetence of the executive branch, which attacks the two main forces that can help to reach an agreement. The president has repeatedly lost opportunities to reach such an agreement. It was possible in Israel, Mexico, Chile, Argentina, and in Venezuela, which are in a better condition than Brazil. The political parties in those countries remained strong to face the changes and to form alliances.

Jereissati said that Brazil is confronting three crises: political, economic, and moral ones. He pointed out that the moral crisis is the most serious one because we are witnesses to a series of scandals and society has experienced alarming discouragement.

Jereissati's criticisms were supported by Ceara Governor Ciro Gomes of the PSDB. Gomes said that "the government's decision to maintain the basic salary at 42,000 cruzeiros until January is a disgusting measure."

Price of Electricity Increased for 1992

PY0212174291 Brasilia Radio Nacional da
Amazonia Network in Portuguese 0900 GMT 2 Dec 91

[Text] The price of electricity has been increased by 28 [as heard] percent as of today. Consumers will pay the equivalent of \$67 per megawatt/hour until the end of December 1992 as compared with \$48 today. The increase is the result of an agreement between the Economy and Infrastructure Ministries to raise utility rates to real levels. The agreement also complies with a World Bank condition to finance energy projects in Brazil again.

The World Bank considers the value of \$67 per megawatt/hour necessary to ensure the profitability of the electricity generating industry.

*** SAE Report Defines Developmental Objectives**

92SM0095D Sao Paulo O ESTADO DE SAO PAULO
in Portuguese 4 Nov 91 p 4

[Article by Guilherme Evelin]

[Text] The [Secretariat of Strategic Affairs] (SAE)—which replaced the former SNI [National Service for Intelligence] as part of the administrative reform decreed by President Fernando Collor—is attempting the first project capable of justifying the organization's name change. For a month the SAE has been coordinating studies with a view to preparing a report to be submitted to President Collor in 20 days that will set forth the goals and strategies for national development.

This is the first comprehensive study of strategic planning that the SAE has prepared in 20 months, despite the fact that the organization was created for that purpose and the fact that Secretary of Strategic Affairs Pedro Paulo Leoni Ramos is accustomed to reiterate that "this should be the preferred aspect of the secretariat." The SAE has conserved virtually intact—although renamed—the former structures of the SNI and of the former National Defense Advisory Secretariat (SADEN), and the results achieved since its creation appear so far to be quite timid.

The principal objective of the report is to orient the preparation of the Multiyear Plan, which establishes the official goals for development—by region and sector—for 1992. "This is an attempt to prepare a study establishing the long-term strategies for national development to the year 2000," Pedro Demo, the director of the SAE's Department of Macrostrategies, is careful to say. He is the coordinator of the group that is preparing the report with the participation of more than 100 technical experts from all the ministries and secretariats of the government.

Assigning to the SAE the task of coordinating the report caused expressions of resentment in other cabinet ministries. The initiative was seen as an attempt to deflate

the National Secretariat of Planning and weaken Minister of Economy Marcilio Marques Moreira. The weakening of the secretariat would benefit the Secretary of Strategic Affairs. When the departure of Pedro Parente from the National Secretariat of Planning began to be considered, as a result of dissension on the economic team, it was speculated that Pedro Demo, a veteran technical expert of the Applied Economic and Social Research Institute (IPEA), might be invited to take Pedro Parente's place. Leoni's adviser dismisses the rumor. "No one is pirating anything," Pedro Demo says. "The powers and duties of each organization are very well defined."

Created by an interministerial decree, the working group is also headed by representatives of the Secretariat of Regional Development and of the National Secretariat of Planning. The report will make recommendations as to strategies for achieving six goals to which the government has assigned a high priority: a resumption of growth, modernization of production, governmental reform, a lessening of social differences, preservation of the environment, and modernization of education, culture, and technology.

Preparation of the report is currently in the phase of consolidating the proposals. The proposals were collected over a period of three weeks following a meeting with the technical experts who are members of the working group that was held last October in the annex to Planalto Palace. According to Pedro Demo, the next phase is designed to encourage intensive discussions—discussions that would continue until the end of the year—concerning the proposals for goals and strategies for development.

* Businessmen Mobilize in Search of Solutions

92SM0095C Sao Paulo O ESTADO DE SAO PAULO
in Portuguese (Economic Section) Nov 91 p 9

[Article by Isabel Dias de Aguiar]

[Text] The conviction that nothing can come out right so long as the current lack of confidence continues to prevail in the various sectors of society has caused many businessmen to put aside their business routine and lead—or participate in—movements whose objectives were not yet clearly defined. The concerns resulting from the difficulty of managing the finances of their companies have not prevented a growing number of businessmen from devoting at least one night a week to discussing national issues and planning ways to take action.

There are at least three groups of businessmen involved in movements that intend to mobilize public opinion. Whether they are committed or not to government proposals—for some are persisting in the intention to isolate or neutralize the government in Brasilia—many heads of companies have subscribed to the worn-out proposal of a "national accord."

Others are convinced that a "social compact" cannot be implemented unless you first restore the people's sense of citizenship, and for that reason are moving in a different direction. "The proposal of such an accord is childish, because it underestimates the importance of the class struggle, which has the power to keep the various sectors of society actively striving for survival and for an improvement in the quality of life," counters President Adauto Pousa Ponte of the Brazilian Association of Iron and Steel Smelting Industries (ABIFFA).

Whether or not they march under the banner of the "social compact," many businessmen have joined with labor union leaders, politicians, lawyers, and artists in an attempt to obtain a reaction to their ideas. On 11 November some of them—including Emerson Kapaz, coordinator of the movement "National Opinion of the Entrepreneurial Rank and File"—will be at the Catholic University Theater (TUCA) to help launch the campaign that has been named "Option Brazil."

Approximately 300 other businessmen have chosen instead to ally themselves with Sao Paulo Governor Luiz Antonio Fleury Filho and to take part in the Sao Paulo State Pro-Development Forum. Divided into 12 groups whose efforts are being coordinated by Lieutenant Governor Aloysio Nunes Ferreira, these businessmen plan to seek formulas that will make it possible to alleviate the economic crisis, and to help create a climate that they believe will improve the conditions necessary for the governability of the nation. The only specific proposals they have offered so far are for the short term, such as elimination of the tax on the food items in the "basic market basket."

The dissatisfaction with the existing situation has motivated still another group that currently consists of approximately 30 businessmen to unite in opposition to the bylaws—which have already been ratified—that ensure the election of Mario Amato to the presidency of FIESP [Sao Paulo State Federation of Industries]. Using the argument that leadership is effective only if it is genuinely representative, these businessmen have mobilized behind new proposals for changing the system of voting in FIESP, a system currently based on the "electoral college" system. They are also seeking candidates to run against Carlos Eduardo Moreira Ferreira, the current first vice president of the organization, whose candidacy has already been launched officially.

The dissident wing of FIESP—which includes the so-called Movement for Industrial Representativeness (MRI)—has already drawn up a statement of principles and is now collecting signatures. In their manifesto, however, these businessmen argue in favor of generic theses that are founded on the same democratic convictions that have served to mobilize the other businessmen's groups. Bernardini jokes that the only businessmen who have not joined these movements are the "followers of Cumbica," that is to say, those who have their bags packed and are ready to leave Brazil.

*** Macedo Views Reindexation, Hyperinflation**

92SM0095B Sao Paulo O ESTADO DE SAO PAULO
in Portuguese(EconomicSection)3 Nov 91 p 8

[Interview with Secretary of Economic Policy Roberto Macedo by Vanessa de Godoy; place and date not given; first paragraph is O ESTADO DE SAO PAULO introduction]

[Text] Secretary of Economic Policy Roberto Macedo does not believe that Brazil is headed for hyperinflation. Interviewed by Vanessa de Godoy, he talks about reindexation of the economy and rejects the possibility of a new "shock treatment."

[Godoy] Didn't the government run too great a risk when it failed to intervene with respect to the gold market and the "black dollar" last week?

[Macedo] We are always running risks. The decision was correct, however, because it made no sense for the government to continue safeguarding the market and using up reserves. We knew that the market would be unstable but trusted that it would be stabilized, and that is in fact what happened. Anyone who speculated and rushed out to buy the dollar at 1,000 cruzeiros lost money.

[Godoy] Is Brazil now headed for hyperinflation?

[Macedo] We do not regard hyperinflation as a possibility, nor that it should be taken into consideration. The situation with respect to the government's finances is much better today than it was when the Sarney administration left office. What you have is the influence of the psychosocial factor. The experience of previous "shock treatments," coupled with disbelief, offers fertile ground for speculation.

[Godoy] Isn't the government counting on hyperinflation to justify a new "shock treatment"?

[Macedo] This rumor has been circulated, but it is absurd to say that the government is counting on chaos. This is something worthy of an apprentice sorcerer. Does a cardiologist conceivably speed up the patient's heartbeat so that he can treat the condition later? That would simply be disastrous.

[Godoy] Then there is no possibility that the government will adopt a new economic package to contain inflation?

[Macedo] The era of shock treatments is now over. A shock treatment means chaos in the market. Price and wage freezes mean chaos in the market. In Brazil today, we are addicted to shock treatments. We need a joint effort by the entire society to reverse this situation. No one gains from the speculation and rumors. Shock treatments solve nothing; they only give rise to self-deception.

[Godoy] What, then, is the economic team's strategy for fighting inflation, other than to continue high interest rates?

[Macedo] The high interest rates are continuing, but this is obviously not all that is being done. We believe the pessimistic outlook can be reversed on the basis of objective factors. Approval of the "Emendao" [Big Amendment] and Tax Reform bill by Congress will be an important point in our favor. In addition, we have other basic factors such as privatization—now under way—and renegotiation of the debt.

[Godoy] Despite the high interest rates and the drop in demand, prices continue to rise. When can we expect the government's policy to produce results?

[Macedo] Despite the high interest rates and the decline in demand, companies are continuing to raise their prices. They are going to find themselves without any sales and may even go bankrupt. The business community does not realize that it is making and selling recession. I do not deny the government's responsibility for inflation, but the rise in prices certainly cannot be imputed solely to the government.

[Godoy] Is fiscal reform still the top priority?

[Macedo] Fiscal reform is the top priority. The road is not easy; it is a difficult road. We must stay the course, however, because it is the only way out. You cannot fight inflation without fiscal reform. It is like trying to free a beached whale by calling in a magician to transform it into a sardine.

[Godoy] With the tax reform announced last Friday, has the government officialized the return of indexation?

[Macedo] The government has formalized the indexation process, which was already being adopted informally by the market. The indexation of taxes—which are now tied to the Fiscal Unit of Reference (UFIR)—was inevitable in order to prevent the loss of revenue.

[Godoy] If inflation continues to rise, is there a possibility of broadening the application of indexation or taking new measures to ensure the profitability of investments?

[Macedo] At least for the time being, this is as far as indexation will go. The issuance of the National Treasury Notes (NTN)—variable-rate [pos-fixado] paper indexed by the IGP-M [General Market Price Index] of the Getulio Vargas Foundation—will serve as an anchor for investments and will bring greater tranquility to the financial market. It cannot be denied that we have been encountering difficulties in maintaining only the Interest Rate of Reference (TR) [Taxa Referencial] in a context of rising inflation.

[Godoy] Doesn't the government foresee the indexation of wages as well?

[Macedo] No changes are anticipated in that area. Indexation will continue only for wages that do not exceed three times the minimum wage, and that is not being changed.

[Godoy] When will the resumption of growth be possible?

[Macedo] The important thing now is to get Congress to approve the "Emenda" and the Tax Reform bill before the congressional recess. This will be a crucial period for the success of the economic policy. I am going to devote much of my time from now until the end of the year to advocacy of the government's proposals.

* PT Prepares for First National Congress

92SM0095A O ESTADO DE SAO PAULO
in Portuguese 2 Nov 91 p 6

[Article by Jorge Gomes Guimaraes]

[Text] The PT [Workers Party] is beginning this weekend what amounts to a preview of its First National Congress, scheduled for the end of the month. Approximately 1,500 delegates are expected to take part in the debates at the party's regional congress to be held today and tomorrow at the Anhembi in the North Zone of the state capital. In a context of the almost total collapse of the socialist regimes, the PT will have to decide whether it will remain the prisoner of Marxist clichés that have fallen into disuse—such as conquering power through a revolution, as various of its internal factions advocate—or whether it will seek to modernize its policies, as the majority groups within the party desire. "The PT has the responsibility of finding a way to carry on the fight for socialism," says Jose Americo Dias, secretary general of the PT of Sao Paulo and an opponent of the radical groups.

The PT members are also preparing for a heated debate concerning the party's position on the proposal to advance the date for the plebiscite on the system of government—now scheduled for 1993—to next year. At a meeting of the National Executive Committee two weeks ago, the party decided not to support the proposal. It was a defeat for PT Chairman Luiz Inacio Lula da Silva.

The question will be put on the agenda today, and the delegates to the party congress can initiate a reversal of the situation. If the delegates support the proposal for the earlier date, the question will be definitively discussed at the national party congress. "In the last two weeks the crisis has intensified," Jose Americo explains. Lula will not participate in the debate, however, inasmuch as the PT chairman—who began his political career in Sao Paulo—is out of the country. "We could find no site where we could hold the congress on any other date," Jose Americo explains.

The debate over the system of government will be intermingled with another topic, one that is far removed from theoretical discussions: the rapprochement that is taking place between the PT, on the one hand, and other parties and groups such as the PSDB [Brazilian Social Democracy Party] and some sectors of the PMDB [Brazilian Democratic Movement Party] with the aim of

finding a way out of the crisis, given the lack of action in this regard for which the PT members say President Collor is responsible.

In the area of party strategy, the PT members are trying to demonstrate that they are distancing themselves from orthodox Marxist concepts—one of the favorite ingredients of the discourse of a number of militants. Next year, in the municipal elections, the PT hopes to compete for the mayorships of at least five cities in the interior in a coalition with the "Tucanos" [PSDB].

In Bauru, for example, militants of the radical group The Cause of Labor were expelled from the party in order to facilitate the rapprochement with Federal Deputy Tuga Angerami (PSDB), a potential candidate. The regional leadership of the PSDB was formally invited to attend today's meeting—the first time in the history of the PT that such an invitation had ever been issued.

The opponents of the radical groups (such as Socialist Convergence) together have approximately 70 percent of the votes. They are led by "Articulation," the faction of Federal Deputy Jose Dirceu—the PT's secretary general—and by the group of Federal Deputy Jose Genoio, leader of the PT delegation in the Chamber of Deputies. These two groups are in favor of putting an end to the organized factions within the party.

Chile

Frei's Election as PDC President Analyzed

PY2711123491 Santiago Television Nacional de Chile
Network in Spanish 2330 GMT 26 Nov 91

[Report by Patricia Politzer]

[Text] Many people agree with President Patricio Aylwin when he said that it is bad to talk too much in advance about presidential candidacies. It is, however, a fact that Eduardo Frei's election as the president of the Christian Democratic Party [PDC] has brought the topic to the fore and no one can do much about it.

No one doubts that Eduardo Frei has successfully passed the first hurdle on his way to La Moneda Palace. His victory was so emphatic that it seems to have changed the prospects not just of the PDC, but of the entire Chilean political landscape.

Barely two weeks ago there was a feeling that the PDC, the largest party in the country, could not find a strong, undisputable, truly solid leader. Today, however, no one would dare say that. Frei has become the main PDC leader. He and his team are of course very happy. But they are also very aware that they cannot rest on their laurels if they want to build on their success.

Amid the congratulations, Eduardo Frei, Gutember Martinez, and Genaro Arriagada took time to establish their three most important priorities. Their first concern is to resist the temptation to become a force parallel to

the one at the government palace, despite their new found strength in the national political arena. They know that they must keep their relations with President Aylwin and his government team as smooth as possible if they are to continue their successful race. Their second goal is to achieve victory during the municipal elections; if possible a victory as spectacular as the one they had last weekend. Their third goal, which is perhaps the most complex goal that will require a lot of intelligence and skill, will be to keep the coalition united beyond 1993. Those are Senator Frei's three major goals.

Frei entered the political arena barely five years ago, has made no mistakes since then, and likes teamwork.

An interesting feature of Frei's team is that they have brought a new political generation to the PDC leadership. For the first time in 55 years the party will not be ruled by its traditional leaders. This will consolidate the generational change in Chile's main political parties. It was noted today in political circles that the next president will surely be a man of this generation. If the prediction holds true, the aspirations of the old political guard would be frustrated.

It is, however, fair to point out that this analysis is made under the influence of the 23 August elections. Nothing is certain in politics. As I just said, just a few weeks ago the PDC did not have a visible and clear leader. Today—with the obvious exception of President Aylwin—Eduardo Frei has become the most important name in Chilean politics. This is the current picture, but for Senator Frei the most serious challenges lie ahead. Among these is the possibility that Ricardo Lagos might also decide to run for the presidency.

Aylwin Seeks Power To Remove Military Officers

PY0212134291 Santiago Television Nacional de Chile Network in Spanish 2330 GMT 1 Dec 91

[Excerpt] During a news conference with Chilean journalists in Cartagena de Indias, Colombia, President Patricio Aylwin addressed Chilean issues. He said that he is not seeking a constitutional amendment on the Armed Forces. He said he will propose a modification to the Armed Forces' organic law, restoring the president's power to remove officers. He said:

[Begin recording] We are responsible, in the eyes of the country and of Congress, for properly implementing the powers that the Constitution has granted us. Failure to do this could lead Congress to impeach us. I believe that in all countries around the world, the final decision on officials—civilians and members of the military institutions and of the forces of order—should be made by the president. This is my position. I will propose that Congress restore this right, which previously existed. [end recording]

Aylwin also referred to crime, noting the government's efforts to improve the capacity of the police. He said that when he took power, the police had no resources. He said

that those who worked for the previous administrations and who ignored this situation should not now pretend to be shocked.

Finally, he did not rule out the possibility that the recent kidnappings in Chile could have been politically motivated.

[Begin recording] I believe that most of the crimes committed in Santiago are common crimes. But I do not rule out the possibility that some of them might be politically motivated, especially in the case of missing people. [end recording]

Concerning the refusal by Manuel Contreras [retired general and former head of the National Intelligence Directorate, Dina] to allow the police register his criminal record, Aylwin said that the courts should establish how to enforce the law, which has been violated by someone who is precisely under the jurisdiction of the courts. [passage omitted]

Economy Minister: European Tour Important

PY0112230891 Santiago EL MERCURIO in Spanish 25 Nov 91 p C2

[Excerpts] Commenting on his tour of six countries of north and central Europe that he recently concluded, Economy Minister Carlos Ominami said on 24 November that "everything Chile can make to gain markets abroad is of major importance."

Ominami said that Scandinavian countries represent a good opportunity because they have gone through a development process similar to that in Chile, and which "is mainly based in their great potential of natural resources, which they have improved and exploited in an even more rational manner."

Ominami noted that the beginning of commercial talks with these and other countries is a good sign for the Chilean economy. [passage omitted]

He said: "I believe that this is of major significance, because Chile should propose a balanced opening toward the world, considering that Latin American integration should not be made to the detriment of the integration process with other zones of the world." [passage omitted]

Ominami also referred to the possible entry into Chile of former GDR President Erich Honecker, adding that the decision in this regard "should be made on the basis of humanitarian principles and not for political reasons."

He expressed the need to clearly distinguish between politics and "certain basic humanitarian principles" before making a decision on whether the former Communist leader may enter Chile.

Ominami cited as an example his own exile. He said that the right to political asylum is essential for any human being, and that "in no case should this be interpreted as agreement with the political positions of anyone."

Croatian Parliament President To Visit 5 Dec

PY2711013491 Santiago Television Nacional de Chile Network in Spanish 2200 GMT 26 Nov 91

[Text] Croatian Parliament President Zarko Domljan has accepted the Chilean Senate's invitation to visit Chile. The invitation was issued a few weeks ago, and Domljan will visit us on 5 and 6 December. The information was released by Senate President Gabriel Valdez, who was notified of the news by the Yugoslav ambassador to our country.

Valez said the Senate will hold a special session to hear the Croatian leader speak. It is well known that Croatia is fighting a fierce conflict to consolidate its independence from the Yugoslav federation. Senate President Gabriel Valdez stressed the importance of the occasion:

[Begin recording] Chile was one of the first countries to take a stand in this crisis. Chile has expressed its broadest solidarity with the Croatian people who are suffering, from a human and a territorial point of view, the aggression of the other former Yugoslav states. [end recording]

We must recall that in this country most Yugoslav descendants are of Croatian origin.

Minister Denies Overestimating Materiel Industry

PY2711161691 Santiago EL MERCURIO in Spanish 20 Nov 91 p C7

[Text] Defense Minister Patricio Rojas Saavedra has stated that "Chile is not running any arms race, and one must be very careful regarding the type of materiel that can be manufactured." He said this when asked to explain a proposal during a recent seminar in Valparaiso, when a state policy on military industries was requested.

The defense minister said that this type of seminar is satisfactory. He added that, concerning armaments, "very critical and very special moments are being experienced by mankind."

He said that due to the tremendous changes taking place over the assignment of resources in industrialized countries, military industries are accumulating stock that cannot be sold. "The whole world is calling for the control of weapons, for the prevention of their proliferation, and urging all countries to prevent an arms race."

He said: "This is why we believe that we must manufacture materiel, render services, and meet institutional demands. We must also produce for the economic sector, as in the case of Asmar [Naval Docks and Shipyards] with fishing boats; Famae [Army Ordnance] with the production of agricultural machinery; and Enaer [National Aeronautical Enterprise] which manufactures sports planes."

"We will by no means overestimate or cater for an unreal situation. If these sectors, both the institutional and the productive, uses our military industries, we will be

delighted. We will do everything possible to help this happen. If there are countries willing to acquire products from our military industries, we will be the first to financially support and to make everything easier in this task, but we must be very careful because there are Latin American countries that have overestimated their industries and have created tremendous errors, wasting hundreds of millions of dollars."

Foreign Minister Opposes Aggression Against Cuba

PY0312022691 Santiago Radio Cooperativa Network in Spanish 2330 GMT 2 Dec 91

[Text] Chilean Foreign Minister Enrique Silva Cimma opposed any kind of aggression directed at Cuba. In the course of an informal chat with Chilean journalists, the foreign minister explained that he is against any action that could be interpreted as an attack on Cuba because it would violate the principle of free determination and nonintervention in the affairs of other countries. He said that it is up to Cuba and the Cubans to decide their own fate. He insisted that Cuba must become a full-fledged member of Latin America's democratic community.

Central Bank Drops Charges Against Spanish Bank

PY3011015891 Santiago Radio Cooperativa Network in Spanish 2200 GMT 29 Nov 91

[Text] The Central Bank of Chile has decided to withdraw the charge it had leveled against a Spanish financial institution. This announcement was made by Banesto, the institution that was involved in irregularities because of its decision to withdraw part of the investment it made in the Indus industrial company before the deadline established in Chapter 19 of the Central Bank of Chile's handbook on international exchange.

The charge was leveled in Santiago criminal court against the Banesto board of directors, including the representative of the Spanish Credit Bank in Chile.

After a in-depth investigation by the Central Bank with Banesto's active cooperation, and based on the new reports it delivered, the authority reached the conclusion that such an operation also involved administrative irregularities. This announcement is included in a communique released by the European bank, which was about to purchase the El Pacifico bank owned by industrialist Carlos Cardoen, but which was suspended.

Banesto has reported that as soon as it paid the fine, whose amount was not revealed, the controversy was overcome. The financial corporation, one of the three major ones in the world, has ratified its decision to again promote projects to invest in Chile.

Tariff Reduction Proposal Made at GATT Talks

PY2911130091 Santiago Radio Chilena Network in Spanish 1000 GMT 29 Nov 91

[Text] Finance Minister Foxley has reported that Chile has proposed a 25 percent reduction of consolidated

tariffs at the GATT. He added that on 2 December, Chile will propose the liberation of fees for services. These Chilean proposals seek to liberate world trade.

Each member country is negotiating its trade tariffs at the Uruguay Round of Talks of GATT which are taking place in Geneva. These negotiations must conclude by the end of December. Chilean trade tariffs only account for 35 percent of the total established by GATT agreements.

Foxley made these announcements from his office following a meeting with IMF Managing Director Michel Camdessus. When asked about the possible support Chile may give, as an IMF member, to other nations, Foxley said Chile will maintain its modest position and that it will, for the time being, continue to contribute to the liberation of world trade.

Communist Party Seeks Asylum for Honecker

*PY2711140091 Santiago Radio Chilena Network
in Spanish 1000 GMT 27 Nov 91*

[Text] The Communist Party of Chile, through its secretary general Volodia Teitelboim, has again called upon Foreign Minister Enrique Silva Cimma to urgently intervene and authorize the entry of Erich Honecker in Chile. Honecker is the former president of the now dissolved GDR.

In a message to Silva Cimma, Teitelboim asked that the request made by Honecker's family to allow him to come to Chile be granted as soon as possible. Teitelboim said that Honecker expressed his solidarity with Chile during Pinochet's dictatorship considering the great number of Chilean exiles who were admitted to the GDR.

Teitelboim also said that Honecker should be allowed into the country for family's reasons; one of his daughters and two of his grandchildren live in Chile. He said that Honecker was not to blame for Germany's division; it was caused by the cold war which began in 1947.

Colombia

Defense Minister Comments on Gun Control Measures

*PA0212182791 Santa Fe de Bogota EL NUEVO SIGLO
in Spanish 23 Nov 91 p 7*

[By Enrique Rivas G.]

[Text] Paipa, Boyaca Department—The government reported on 22 November that thousands of Colombians who own unregistered weapons for reasons unrelated to crime could legalize the weapons by providing proof that they are honorable citizens.

Defense Minister Rafael Pardo Rueda made this announcement on 22 November within the framework of the summit of governors elected on 27 October. He added that the measures adopted by the government will also prevent arms contraband.

With regard to the restrictions that will be imposed on illegally bearing arms, Pardo said that, contrary to what has been stated, it is not a matter of suddenly disarming the people and placing them at the mercy of criminals.

According to the new government measures, those persons who have registered their weapons and who possess the appropriate permit will be allowed to keep the weapons; it would be unfair and unrealistic to try to persuade those persons to turn in their weapons.

"The government is aware that many people firearms in order to protect themselves and their property," Pardo stated.

The defense minister stated that the aforementioned measures will allow the government to make a clear distinction between those who have arms and those who own arms.

"A property or estate owner, after demonstrating his personal situation and requirements, will be able to own a firearm that he cannot carry outside his property or residence," Pardo continued.

In order to achieve real accomplishments, the defense minister added, it is necessary to improve both the security of citizens and the confidence citizens have in the military and the police.

The defense minister said that community representatives will participate in the regional security councils.

These community representatives, Pardo added, will evaluate the public order in various departments and will formulate regional security plans to deal with the causes of violence.

The regional security councils will be responsible for maintaining close coordination with the various agencies responsible for public order and will follow up on the implementation of the aforementioned plans.

Pardo revealed that next year the military forces will increase their strength by 3,742 men.

In keeping with this increase, the Army will increase by 1,800 men, the Navy by 180, and the police by 1,762 officers.

The defense minister stated that this is a joint effort being conducted by the government, the public forces, and especially all honorable Colombians in an effort to counter the threats against the economy and democracy.

Pardo concluded that as part of the plan implemented to counter the actions by the Simon Bolivar National Guerrilla Coordinating Board in the past few months, the police used 5,784 police officers, 100 urban agents of the Antiextortion and Kidnapping Unit, and 1,224 traffic policemen.

*** Labor Minister on Unemployment, Economic Reform**

92SM0100A Santa Fe de Bogota EL TIEMPO
in Spanish 4 Nov 91 p 8C

[Interview with Labor Minister Francisco Posada de la Pena by EL TIEMPO staff reporter Jaime Mejia Mazuera; place and date not given; first five paragraphs are introduction]

[Text] The administration clearly realizes that the economic liberalization program will carry a high price in terms of unemployment. But what the workers and employers will have to accept as a result of the liberalization will be more than compensated for in the future.

The other major burden that the government will have to assume is the introduction of a new social-security system that can move steadily towards the goal that the new constitution sets: all Colombians must be covered by social security.

As far as Labor Minister Francisco Posada de la Pena is concerned, the solution to social security is not just to increase the contributions or raise the retirement age. These changes address only the financial problem of the Social Security Institute (ISS).

The problem is an underlying one, and the administration realizes that it will have to pay a huge price if it wants to introduce a more equitable and just system.

In an interview with EL TIEMPO the minister says that the effects of unemployment and business bankruptcies, which could happen as a result of the economic liberalization, will reverse themselves when the production sector modernizes and once and for all heads down the road of appropriate growth.

[Mazuera] The economic-liberalization process will have an adverse effect on unemployment. What options is the administration proposing to prevent unemployment from rising?

[Posada de la Pena] The administration realizes that the introduction of a new model of economic development, such as the liberalization, will cause some imbalances in the labor market.

Yet the experience of other countries that have applied this model indicates that these job-market imbalances occur during the first four or five years, after which they are more than compensated for with the economic development that is achieved as of the stage when companies begin to retool.

To minimize the impact of liberalization we will apply a program of social and labor adjustment that was recently approved by the National Council for Economic and Social Policy (Conpes). With a 3.4 billion peso loan from the World Bank we will try to have training programs for 250,000 workers, one quarter of all of the country's unemployed.

[Mazuera] As a result of the labor reform 1991 was expected to be a troubled year. How do you view organized labor's response to the reform?

[Posada de la Pena] The numbers speak for themselves. Between January and June 1991 the labor inspections recorded 107 work stoppages involving 10,241 employees, with 1,624 work hours lost. These figures compare favorably with the ones from 1990. That year the offices of the Labor Ministry recorded 283 stoppages, as against 107, a 38 percent drop. Thirty-thousand workers took part, with 2,685 work hours lost.

These numbers do not include the most recent work stoppages, such as the ones in Sofasa and Simesa. But they do show that the response to the labor law has not been what many expected.

[Mazuera] Has the reform furthered the deterioration of union activity in Colombia?

[Posada de la Pena] On the contrary. I think that it has been strengthened, and union leaders themselves agree. Today, legal status begins with the establishment of the union, solely with the charter that the members of a union draw up, after which come the safeguards. This is the important thing about the modification.

Today it is easier to establish a union. Between January and September of this year 176 applications for registration in the union registry were submitted. During the same period last year only 159 applications for a study of legal status were submitted.

[Mazuera] To what do you attribute the union crisis?

[Posada de la Pena] Colombia's labor leaders have shown that they are not concerned about the unemployed but rather about those who are already working. I think that this is a factor that explains the weakening of unionism in Colombia.

They opposed provisions in the labor law that sought to incorporate masses of jobless workers into hiring. This is the case with the fixed-term contracts and the grace period for declaring the enterprise unity that enables new jobs to be created.

Organized labor has forgotten about this, and perhaps this is why only 874,000 workers belong to unions, 7.5 percent of the work force. This is bad for the country and for democracy.

[Mazuera] What are the outlines of the social-security reform that the administration has to submit?

[Posada de la Pena] We are struggling to correct the existing shortcomings in the Social Security Institute and the National Social Security Bank. It is, I would say, a superhuman struggle; it means combating a wave of unethical behavior.

But we will not solve the problem by correcting the shortcomings in these institutions. The big challenge is to expand coverage.

[Mazuera] What are the options for achieving this expansion and what does it mean in economic terms?

[Posada de la Pena] The approach has to be a comprehensive one. I think that the government has to pay a huge fiscal price in terms of pensions, and I think that the government cannot continue to shirk this responsibility. Moreover, this is a cost that will be spread over some 30 or 40 years. The money will not go out all at once.

I do not think that the reform will be carried out by increasing contributions, raising the retirement age, or lengthening time of service. A price must be paid. Although I am not ruling out any of these options, the solution does not lie, as far as I am concerned, in these corrective measures. [end of interview]

[Box, p 8C]

Minimizing the Impact of Liberalization

Using a 3.4 billion peso loan from the World Bank, the administration will undertake a social/labor adjustment program to counter the potential effects of economic liberalization on jobs.

According to a document drafted by the National Department of Planning and the Labor Ministry, labor-intermediation programs have to be undertaken, such as the Employment Service, which tries to find suitable jobs for workers.

Intermediation fosters contacts between workers and businesses. It is complemented with other activities such as training for and the promotion of self-employment or partnerships.

The National Apprenticeship Service (Sena) will execute the program. The service will open training centers offering programs that are tailored to the needs of each region and to personnel requirements.

The adjustment plan has three parts. The first has to do with the retraining or readaptation of the work force and seeks to hone the skills that workers who have lost their jobs as a result of the liberalization have acquired. Some 2,900 courses will be taught to 72,500 students a year at a cost of 2.2 billion pesos.

Tests will be administered to determine the job level attained by the unemployed workers, to confirm and certify the know-how they have acquired, and to ascertain what sort of training program each worker needs; 18,632 individuals a year will be accommodated at a cost of 290 million pesos.

The third program consists of feasibility studies to identify the economic sectors that can accommodate

new companies. Eighty workshops will be held to train 2,000 small businessmen. The cost is estimated at 802 million pesos.

* Role, Functions of Foreign Trade Bank Detailed

92SM0100B Santa Fe de Bogota EL TIEMPO
in Spanish 4 Nov 91 p 10C

[Report by Marcela Escobar Ramirez]

[Text] The Foreign Trade Bank will be a mixed financial entity and have an affiliate to promote exports. So states the decree, which President Gaviria will sign tomorrow, regulating the conversion of Proexpo [Export Promotion Fund] into a bank.

The bank, which will begin operations on 1 January of next year, will be authorized to establish companies with the private sector to provide support services for foreign trade.

The officials who will work at the bank will be subject to private law; it has been completely ruled out that employees will be hired under the public system.

The private sector will be able to involve itself in the bank by purchasing shares. A block amounting to 11 percent will be placed initially on the market; the shares will pay a fixed, preferred-stock dividend for a period that has not yet been decided, after which they will become regular shares.

The remaining percentage will remain in public hands, and the possibility has been left open that the government can sell its share in the bank or exchange it for tax-reimbursement certificates (CERT's).

The financial and promotion functions that the Foreign Trade Framework Law assigned to the bank will be handled independently.

To achieve this separation of functions the decree states that 35 billion pesos of Proexpo's assets will be allocated to the bank so that it can constitute a trust company that will handle export promotion. These funds will be regarded as public patrimony.

The trust company will have its own board of directors and enjoy independent decision-making authority.

For its part, the bank will be in charge of furnishing funds to the financial system so that it can meet exporters' credit requests; the bank will also give exporters guarantees so that they can take out bank loans.

The reason for this division of functions, Proexpo manager Carlos Caballero Argaez says, is that "we want the private sector to be truly involved in the bank," and thus investors are given guarantees that the bank will not have to assume any financial obligation to the trust company.

Second Floor Bank

The bank is designed to solve the problems that exporters have obtaining credit, as well as the problem of making funds available in the financial system for this sector.

The decree thus states that the bank will operate under the regulations governing a banking institution but may grant loan guarantees and enter into contracts with companies that specialize in insuring export loans.

The bank will also be allowed to establish or become a partner in entities that take out such insurance.

Commercial banks are thus given assurances that the loans they grant will be covered, and exporters are given access to credit.

"What we want is to assure exporters equal access to the financial system, regardless of their size, through a mechanism of transaction guarantees and insurance under which an exporter who has a letter of credit or a document can enter the capital market with a dollar-denominated acceptance backed by the Foreign Trade Bank or by export credit insurance and obtain the funds he needs," says Caballero.

The bank will "inherit" the patrimony of Proexpo as of 31 December of this year, with the exception of the 35 billion that are being earmarked for the trust company.

The Finance Ministry will contribute what is collected in taxes, an amount estimated at close to 94 billion pesos.

For its activities as a second-floor bank it will be able to take out loans from international financial institutions. At present it is arranging a \$200 million loan from the World Bank.

The bank's board of directors will consist of the ministers of finance and foreign trade, two representatives of the private sector named by the president of the republic, and one member elected by exporters associations.

Independent Promotion

One of the trust company's functions is to decide promotion activities, study promotion systems to make sure that they are consistent with international agreements, and select trade attaches.

The decree also empowers the bank to make joint investments with the private sector to privatize export-promotion services.

As for the appointment of trade attaches, corporations will be allowed to perform this task. The way is thus paved for the hiring of specialized companies to provide commercial-information services and perform other functions in support of foreign trade.

The trust company will continue to run the 11 convention centers that Proexpo currently has, but it can now sell them to the private sector.

Aside from the 35 billion that are being transferred to the bank as its patrimony, the government will hand over at least 25 percent of the shares in the Foreign Trade Bank to the trust company so that it can use the dividends from these securities to finance itself.

Another source of financing will be what the trust company earns from its operations, since it will charge exporters for the services it renders them.

The board of directors will consist of the president of the bank, two individuals from the private sector appointed by the president of the republic, and two others chosen to represent exporters.

* Banking Group Forecasts Lower 1992 Production

92SM0100C Santa Fe de Bogota EL NUEVO SIGLO
in Spanish 25 Oct 91 p 15

[Text]

Production To Increase Only 1.5 Percent

The administration's optimism about higher production contrasts with the projections of the National Association of Financial Institutions (ANIF), which says output will rise only 1.5 percent.

The banking union indicates that the administration's forecast of 4 percent is nothing more than "wishful thinking" because there is apathy in the production sector that does not allow for optimism about this year's performance.

One of the telling indicators of this situation is the slack demand for credit even though funds are available in abundance after the lifting of the reserve requirement.

Some 140 million pesos should have been loaned out after the reserve requirement was abolished. This has not happened, however, because businessmen are choosing to be prudent or to wait for next year's prospects before planning their production targets.

ANIF indicates that it does not seem reasonable to forecast a vigorous recovery in 1992 because the situation in the coffee industry remains unfavorable and also because the terms of trade may worsen.

The odds are that the short-term price of economic liberalization will have to be paid, the union says, in addition to the adverse effects that the announced fiscal reform is going to have on the production sector. The draft of the reform is almost ready to be submitted to the new congress for its consideration.

There are, however, very positive factors, such as the possible rebound in the construction sector and the rise in government investment called for in the Development Plan. These elements alone are not enough, though, to offset the other negative factors in evidence.

Budget Deficit

ANIF feels that the 1992 budget deficit will not be 1.8 percent of the gross domestic product (GDP), as the administration has estimated; rather, it will be closer to 2.5 percent and could be as high as 3 percent if we include the mess associated with the Special Exchange Account.

There are several reasons to think that the deficit will be larger. Among others, the growth of the GDP may have been overestimated, leading to a similar overestimation of the rise in the public sector's current revenues.

As a result of slower economic growth the margin available to finance the deficit will also be more precarious. This means that in order for the administration to stick to its program of expenditures, it will have to turn to higher taxes or tighten credit. Both would be disastrous in a period of economic liberalization.

ANIF notes that the government has two options left to finance its deficit: issue bonds or borrow overseas to cover spending in pesos.

The latter alternative is included, in a way, in the "Peaceful Revolution" plan, which allocates \$1.41 billion (42.2 percent of the foreign-borrowing program) for the investment plan in 1992.

The president of ANIF, Javier Fernandez Riva, explained that one of the factors that have most influenced the cautious approach of the private sector was the 100 percent reserve requirement, which totally dried up credit at a time when prospects for investment were wide open.

The Board of Directors of the Bank of the Republic remedied this situation yesterday, but it was already too late as the signs of weakness in the economy were evident.

All quarters are worried about fiscal policy in 1992, and some economists feel that the situation could become unmanageable when all Colombians begin to demand results in fighting inflation.

As far as ANIF is concerned, the board of the Bank of the Republic could dispel many uncertainties by making monetary-policy decisions that are consistent with the economic realities of the country today.

Paraguay

Colorado Party Wins Elections Countrywide

PY0212225691

[Editorial Report] Asuncion NOTICIAS in Spanish on 2 December publishes on pages 2 and 3 of a special supplement a 220-word article stating that "only a little more than 40 percent" of eligible Paraguayans voted in the Constituent Assembly elections and that, based on

unofficial figures, the Colorado Party list won country-wide, although "in the days that preceded the elections," the opposition was expected to receive "the majority" of the votes.

The article adds: "The National Republican Association [Colorado Party] received the majority of votes, including in Asuncion and the Central Department, where it had lost hegemony in the 26 May elections."

In a 350-word article on pages 4 and 5 of the same special supplement, the newspaper explains that, "of the 198 Constituent Assembly members elected yesterday, 123 belong to the Colorado Party, 57 to the PLRA [Authentic Radical Liberal Party], 16 to the 'Citizens Movement Constitution for All,' one to the Febrerista Revolutionary Party, and one to the Christian Democratic Party."

Privatization of State Companies Proposed

PY0212143491 Asuncion ABC COLOR in Spanish
30 Nov 91 p 7

[Excerpt] In a note sent by President Andres Rodriguez to Chamber of Deputies Chairman Jose Antonio Moreno Ruffinelli, the national government proposes the priority privatization of five state companies. In its note, the executive branch urges the privatization of LAP [Paraguayan Airlines], Flomeres [State Merchant Fleet], Acepar [Paraguayan Steel, Inc.], Apal [Paraguayan Alcohol Administration], and FCCAL [Carlos Antonio Lopez Central Railroad], which consume large amounts of money that could be used for other, more productive purposes.

In the note to Congress, the government submits a list of state companies that could be privatized over a short period of time. The first on the list are LAP, Flomeres, Acepar, Apal, and FCCAL.

According to the presidential note, the government intends to facilitate the work of the Chamber of Deputies special commission which is studying the "General Privatizations Law" that was submitted by the executive branch to the National Congress on 19 September 1991. [passage omitted]

Commanders View Role of Armed Forces

PY2811215091 Asuncion Cerro Cora Sistema Nacional de Television Network in Spanish 1520 GMT 28 Nov 91

[Text] On behalf of the Armed Forces commander in chief, General Eumelio Bernal, the Armed Forces chief of staff today installed Brigade General Lino Cesar Oviedo as commander of the 1st Corps, replacing Gen. Ramon Humberto Garcete.

[Begin recording] [Bernal] I have come here to preside over the change of command and to install Gen. Cesar Lino Oviedo as the new commander of the 1st Corps,

who thus will replace Division Gen. Humberto Garcete, who has been appointed to the very important position, as you all know.

[Garcete] I hereby turn over the 1st Corps to Brigade Gen. Lino Cesar Oviedo Silva.

[Oviedo] Permission to address you general. This is Brigade Gen. Lino Oviedo reporting that I have taken over as commander of the 1st Corps. [end recording]

After the appropriate document recording the ceremony was signed by Gens. Bernal, Garcete, Oviedo, and others, Gen. Oviedo made a speech.

[Begin recording] I ask God, our Lord, to enlighten me so that I may command this unit prudently, obediently, patiently, justly, and competently, thus fulfilling this noble mission that my superiors have seen fit to entrust me with.

May my superiors guide me. May my comrades be my brothers. May my subordinates be my children. May my friends continue to be my friends.

May my wife, my children, and my parents rest assured that I will never dishonor this position entrusted to me for as long as there is a drop of blood in my veins.

The national Constitution entrusts the Armed Forces with the most honorable mission: to be custodians of the nation's sovereignty and territorial integrity. This new democratic stage for the restoration of the nation's dignity allows all of us Paraguayans and foreigners living on this holy soil to struggle together for the development of the nation and for the attainment of the greatest and most desired human right of every citizen: personal well-being and the common good. [end recording]

The Armed Forces share the people's dream of a better country and a just society. Thus, our actions are aimed at attaining these objectives, said Army Commander Gen. Humberto Ramon Garcete in response to a question about the role of the Army in the building of the society that the people want. Gen. Garcete added that if people want a change of mentality the friends of Armed Forces members should stop asking them for help.

[Begin Garcete recording] I believe that the people also dream of institutionalized Armed Forces working within their jurisdictions. The Armed Forces have a very large structure with sufficient means that should be used in an underdeveloped country like ours to at least cooperate for national development. They should continue to carry out civic actions, social actions in the remote places of our country, places where civilization has practically not yet arrived. And in these places there is always a soldier.

I believe that the Armed Forces cannot fail to carry out those actions because the people count on the Armed Forces. I once said that the people should understand that we are also part of civilian society. We have our friends, our families, and our relatives. And also our

friends should no longer resort to Armed Forces members to request help in solving their problems if they do not want the Armed Forces members to do things that are not right. I do not know if you understand what I am trying to say. Many people resort to a friend in the Armed Forces, seeking help to solve their problems. And because this is a country of friends an Armed Forces member would try to help him by requesting things that are not appropriate. This is the attitude I plan to eradicate from the Army.

We also should concentrate on the professionalization of our units without abandoning social or civilian life of which we are also a part. We cannot be absent from society. We cannot differentiate civilian society from military society. We are all members of a great family. We should all work together in order for the government and the military institutions to work with honesty, and sincerity. We should be told about our mistakes with honesty but we should not be separated from the life of the country because I believe that the Armed Forces have a great participation in national life by giving security to the national territory and its inhabitants. Armed Forces that are incapable, weak, and without organization cannot give any security or guarantee to our people.

We should be allowed to work within our current structure. The people of which we are a part will be happy and proud to have a disciplined and institutionalized Armed Forces. The Armed Forces should give guarantees to the government to work for the hopes and ideals of the national objectives such as a just society, a society living in peace and without class differences, to build a great country. [end recording]

Asked whether it would be necessary to reduce the Armed Forces to achieve what he proposes, Gen. Garcete said:

[Begin recording] You should understand that our organization is for peacetime. It is a basic structure to have the large units organized if important actions are necessary or if national security is threatened. What does this mean? This means that our garrisons have the minimum troops necessary. An Army corps, the 1st Army Corps, to really become an Army corps must have at least 20,000 men and this is the amount of our entire Armed Forces. Therefore, if we reduce our Armed Forces even further we will have very weak Armed Forces that will not be able to fulfill their mission. The people should understand that the country needs the Armed Forces to give guarantees and security to our country and its people. This is the real situation. [end recording]

Uruguay

Changes Prompt Reconsideration of National Defense
PY2511232491 Montevideo EL PAIS in Spanish
19 Nov 91 p 8

[Excerpt] The changes that are taking place internationally and those that are to take place in the region make us reconsider the basic ideas of our national defense.

This statement has been made by Uruguayan President Luis Alberto Lacalle to more than 100 officers of the Armed Forces on dedicating the Second Round of Talks on National Defense, Human and Professional Fundamentals, at the Higher Studies Center.

According to Lacalle, the changes taking place in the world today force us to make intellectual efforts to adapt traditional national defense ideas.

The president said: "We do not agree with the idea that there is a new world order. In our judgement, we are experiencing a reorganization process. We all feel that the world order is changing, but we are still far from achieving it."

He added: "It is sufficient to think about regional conflicts, perhaps the type of conflict awaiting us in the 21st century, and it is sufficient to think about the decomposition of the Soviet Union."

The Uruguayan president said that the defense minister is engaged in "intellectualizing the idea of national defense" because we are not facing the possibility of seeing our integrity offended but an awareness of the need to rationalize the scale of our national values and to provide for a better defense of these values.

In a clear reference to the Persian Gulf operations, Lacalle said that for the first time since the old times assistance is granted to countries that are economically powerful and that do not have a military power of their own, but are able to finance those operations that are necessary for their defense.

Venezuela

Perez Comments on Peace Talks, Domestic Situation

PA0212201991 Santa Fe de Bogota Invasion
Television Cadena 1 in Spanish 1730 GMT 2 Dec 91

[Report by Antonio Jose Caballero, from Cartagena]

[Text] Venezuelan President Carlos Andres Perez always has something new to report. This time it is about Colombia. He has spoken with members of the National Guerrilla Coordinating Board [CNG] in Caracas, Venezuela.

The guerrillas told him that they have goodwill. We hope they do, said the Venezuelan president after meeting with them at the conclusion of the meetings between representatives of the Colombian Government and the CNG.

[Begin Perez recording] I want to tell you that after talking with them I feel optimistic that they have the sincere desire to reach an agreement to end this terrible bloodbath and the horrible situation Colombia has been enduring for many years. [end recording]

President Perez also practically eliminated what some have called the ghost of a coup d'etat looming over his country. On that issue, he said:

[Begin Perez recording] Coups d'etat are simply over in America, especially in Venezuela. We are enduring some difficulties in Venezuela, not because we are going backward but because we are moving forward. There has been uncertainty. We have experienced difficulties that we have never before experienced in our fatherland; we have been enduring them now because of the inevitable and necessary measures we have adopted. We have been facing crises similar to those that Colombia and some other Latin American countries have endured on several occasions in the past. [end recording]

Perez Meets Leaders To Analyze Wave of Violence

PA3011040391 Mexico City NOTIMEX in Spanish
0116 GMT 30 Nov 91

[Text] Caracas, 29 Nov (NOTIMEX)—Marches and demonstrations were held in Venezuela on 29 November while President Carlos Andres Perez met with ministers and student leaders to analyze the increasing wave of violence in the country.

During the past six weeks, 10 persons were killed, including six students, amid demonstrations against the economic measures imposed by Perez' Social-Democratic government.

Hooded men armed with rocks and sticks confronted the police for four hours after burning a truck near the Central University of Venezuela (UCV). Authorities reported that no one was arrested or wounded.

Witnesses and a police spokeswoman said the police responded with tear gas and occupied three of the four entrances to the campus to prepare themselves for new clashes. Approximately 200 persons marched in a neighborhood in southwestern Caracas to demand water, while a group of transportation workers staged a caravan to demand security and surveillance in view of a wave of robberies in the heavily populated 23 January neighborhood.

Another group of unidentified men burned three buses in the middle of Valencia, 150 km west of the capital, and riot police surrounded the place.

Local radio stations reported that in Barquisimeto, 350 km west, an unspecified number of persons were arrested during marches protesting the murder by police of a 25 year-old student on 28 November.

The National Guard escorted buses to prevent their being hijacked or burned. Transportation had been paralyzed since the afternoon of 28 November after violent incidents at the university.

President Carlos Andres Perez met leaders of the country's university unions and the interior, education, communications, and other ministers to search for a solution

to the increase in the rates for public transportation, which is one of the causes for the wave of protests.

On arriving at Miraflores Presidential Palace, seat of the executive branch, student leader Joel Amaya said the unions accepted talking with the authorities but will not "negotiate their claims." Amaya added they will demand the resignation of Interior Minister Alejandro Izaguirre, a bigger budget for the universities, and the correction of government adjustment measures.

After closing the presidential summit of the Group of 15 (G-15) this morning, Perez told reporters that the government will maintain its economic policy and admitted that "the adjustments have been very hard."

A local newspaper reporter told NOTIMEX by telephone that in Barcelona, 320 km from Caracas, students reportedly looted and burned a truck carrying toys near Eastern University. The incident coincided with Argentine President Carlos Saul Menem's arrival in that city. President Menem participated in the second presidential summit of the G-15 in Caracas.

Menem will travel to the nearby beach town of Puerto La Cruz, from which he will leave for Cartagena, Colombia, on 2 December to attend the presidential summit of the Rio Group. There were also antigovernment marches in Merida, 680 km southwest of Caracas, where the demonstrations ended without incident.

Legislators Demand Respect for Cuban Writer

PA0112180791 Paris AFP in Spanish 1628 GMT
30 Nov 91

[Text] Caracas, 30 Nov (AFP)—Deputies from Venezuela's leading political parties sent a letter to Cuban President Fidel Castro demanding respect for dissident writer Maria Elena Cruz Varela, who has been sentenced to two years in prison and whose home was recently searched.

The congressmen underscored in the letter that "the Havana government is absolutely responsible for the physical and moral integrity of the writer, poet, and leader of the Alternative Criteria opposition group."

The legislators disclosed a statement by Gladys Gonzalez, a relative of the writer's, that recounts the brutal manner of the search.

According to the deputies, Maria Elena Cruz Varela was sentenced on 28 November to two years in prison on charges of defaming state institutions, holding illegal meetings, and printing clandestine propaganda material.

The letter addressed to President Fidel Castro was signed by, among others, Social Democrat Henry Ramos Allup, leader of the congressional faction of President Carlos Andres Perez' ruling Democratic Action Party (AD); and Christian Democrat Ramon Guillermo Avelado, vice president of the Chamber of Deputies Foreign Policy Commission.

The document was also signed by Juvencio Pulgar, a socialist; and German Febres, president of the right wing New Democratic Generation Party.

Demonstrators Stab Plainclothesman in Caracas

PA2711203291 Paris AFP in Spanish 1901 GMT
27 Nov 91

[Text] Caracas, Nov 27 (AFP)—A policeman in plain clothes was stabbed by demonstrators during an antigovernment march in Caracas on 27 November. The march coincided with the inauguration of the Group of 15 (South-South) summit.

The policeman received two serious wounds in the stomach and the back. He was apparently stabbed with an ice pick or sharp screwdriver. He was taken immediately to a hospital by members of a television station mobile unit crew that was covering the demonstration. His condition is serious.

The policeman was identified by several demonstrators, who immediately rushed up to him to kill him.

The march drew approximately 3,000 students and residents of southeastern neighborhoods, where policemen killed three young men as they tried to repress a street protest a week ago. They marched "for the right to life" up to a plaza in the city center. Security forces did not intervene in the march but antiriot policemen and national guard members were posted at street corners after 1800 GMT, waiting for the demonstration to end.